Current HISTORY

ANUARY, 1937 PRICE 25 CENTS

WAR PREPARATIONS

(A World Survey)

FORESTALLING INFLATION

By Joseph E. Goodbar

LISHED BY CURRENT HISTORY, INCORPORATED

00 - Not one family in a hundred owned a horse and buggy

1936 - Three families out of four have automobiles

More Goods for More People

IN 1900, not one family in a hundred owned a horse and buggy, today, three out of four have cars. One family in thirteen had a telephone, now, one family in two. In 1900, modern plumbing and central heating were luxuries—less than 500,000 homes had electricity; radio and electric refrigeration were unknown. Today, 21 million homes are wired, 7 million families own electric refrigerators, 22 million have radio receivers.

In 1921, a Mazda lamp cost 45 cents, it now costs 15 cents. You receive 80 per cent more light for your dollar because of greatly increased lamp efficiency and a lower average electric rate for the home. General Electric research developed these lower-cost lamps, helped devise more economical ways of generating and distributing electricity—to bring better light to more people at less cost.

Today, electricity is vital to industry, for the manufacture of most goods—from bathtubs to textiles, foods to furnaces—to meet the increasing needs and the purses of millions. In this progress, G-E research and engineering have ever been in the forefront. And still, in the Research Laboratory, in Schenectady, General Electric scientists continue the search for new knowledge from which come savings, new industries, increased employment, more goods for more people.

G-E research has saved the public from ten to one hundred dollars for every dollar it has earned for General Electric

Current HISTORY

For January

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Publisher

LEONARD M. LEONARD
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JOHN C. CASMAN
General Manager

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REGULAR FEATURES

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Ten Outstanding Books of Non-Fiction in 1936

ATTEMPTING to select the ten "best" non-fiction books for the literary firmament of 1936 is more an impossibility than it is a problem. Approximately six thousand non-fiction books were published during the year, three-quarters of which never grew out of a first printing. And of the large number that enjoyed one or more curtain calls, only a comparatively few were formally introduced to the reading public through the usual review and announcement channels.

Even if there were no problem of individually appraising each of the serious books issued during the year, there is still the question whether any perspective, excepting that of time, can establish the greatness of a work. A book, said Ben Jonson, is never a masterpiece; it becomes one.

Carefully avoiding, then, the descriptive misnomers of "best" or "masterpiece", *Current History* announces its list of ten outstanding serious non-fiction books published during 1936. This list represents the combined judgment and authority of qualified leaders in the fields of literature, history, education, philosophy, and current events. These authorities constituted a Literary Advisory Council, each member of which submitted independently his own ten selections. The Council was comprised of:

HENRY SEIDEL CANBY: Literary critic and writer.

JOHN DEWEY: Philosopher, psychologist, and educator.

AMY LOVEMAN: Author, editor, and literary critic.

MRS. WILLIAM BROWN MELONEY: Newspaper executive.

JOHN W. WITHERS: Educator.

M. E. TRACY: Editor and publisher.

Current History's purpose in forming this Council is to give greater emphasis to worthwhile non-fiction literature. It is not the intention of this magazine to minimize in any way the importance of fiction; rather, *Current History* is of the opinion that serious books of definite merit should be accorded greater attention and a greater audience than they now receive.

Members of the Council did not necessarily choose from the books in their fields alone, yet there was a surprising degree of unanimity in the final selections. These covered the entire range of serious literature of the year—from the round-the-world experiences of an American doctor to a treatise on the gold standard. Poetry was not included in the main group of selections but has a listing of its own, in accordance with a separate voting by the Council. The ten outstanding non-fiction books of 1936, exclusive of poetry, therefore, as selected by *Current History's* Literary Advisory Council, in their alphabetical order, are:

A Diplomatic History of the United States by Samuel Flagg Bemis

A Program for Modern America by Harry W. Laidler

An American Doctor's Odyssey by Victor Heiser, M.D.

Hamilton Fish: The Inner History of the Grant Administration by Allan Nevins

Inside Europe by John Gunther

John Reed: The Making of a Revolutionary by Granville Hicks

Sweden: The Middle Way by Marquis W. Childs

(Continued on page 6)

Reproduced above are the ten books selected by the Literary Advisory Council of CURRENT HISTORY

THE COUNCIL

HENRY SEIDEL CANBY: Widely-recognized as a writer, literary critic, and editor, Mr. Canby brings to the Council the fruit of his many years' experience as editor of the Saturday Review of Literature.

JOHN DEWEY: Several years ago, at seventy, Dr. Dewey gave his influence, energy, and prestige to the liberal political movement. One of our greatest contemporary philosophers, Dr. Dewey is also an educator and psychologist.

AMY LOVEMAN: As a prominent literary critic, Miss Loveman is well known as associate editor of the Saturday Review of Literature. A new book by Miss Loveman has just been published by Dodd, Mead, and Company.

MRS. WILLIAM BROWN MELONEY: Editor of "This Week", Sunday newspaper supplement syndicated widely, Mrs. Meloney has been called America's most outstanding newspaper woman. Mrs. Meloney also heads the current events forums of the New York Herald Tribune.

JOHN W. WITHERS: As Dean of the School of Education, New York University, Dr. Withers is recognized as one of the nation's outstanding educators.

M. E. TRACY: Representing CURRENT HISTORY on the Council, Mr. Tracy has been an editor for many years.

Members of the Current History Literary

Henry Seidel Canby

John Dewey

Amy Loveman

as the ten most outstanding non-fiction works of 1936. Members of the Council are shown below.

THE BOOKS

BOOK	AUTHOR	PUBLISHER
A Diplomatic History of the United States	Samuel Flagg Bemis	Holt
A Program for Modern America	Harry W. Laidler	Crowell
An American Doctor's Odyssey	Victor Heiser, M.D.	Norton
Hamilton Fish: The Inner History of the Grant Administration	Allan Nevins	Dodd, Mead
Inside Europe	John Gunther	Harpers
John Reed: The Making of a Revolutionary	Granville Hicks	Macmillan
Sweden: The Middle Way	Marquis W. Childs	Yale University
The Downfall of the Gold Standard	Gustav Cassel	Oxford
The Flowering of New England	Van Wyck Brooks	Dutton
The Letters and Journal of Brand Whitlock	Allan Nevins	Appleton-Century

Advisory Council Who Selected the Books

Mrs. William Brown Meloney

John W. Withers

M. E. Tracy

(*Continued from page 2*)

The Downfall of the Gold Standard
by Gustav Cassel

The Flowering of New England
by Van Wyck Brooks

The Letters and Journal of Brand Whitlock
edited by Allan Nevins

Half the books on this list were virtually unanimous. These were *An American Doctor's Odyssey*, *The Flowering of New England*, *Inside Europe*, *Sweden: The Middle Way*, and *Hamilton Fish: The Inner History of the Grant Administration*. The remaining selections on the list were only a step behind. Fifteen other books received votes. Of these, four narrowly missed tying, by the same margin, for tenth place on the list. These were *Audubon*, by Constance Rourke; *The Autobiography of G. K. Chesterton*, published posthumously; *Jefferson in Power*, by Claude G. Bowers, and *Soviet Communism; A New Civilization* (2 volumes) by Sidney and Beatrice Webb.

In the poetry classification, the committee selected the following three works:

The People, Yes by Carl Sandburg
More Poems by A. E. Housman
Poems of Emily Dickinson

Perhaps the most difficult phase of the selections was the determination whether several titles nominated for the list represented books which could be classified as "distinctly new works" in the sense that they were published for the first time. In this way, H. L. Mencken's *The American Language* received sufficient support to assure it of a place in the list of the first ten outstanding books of the year, but was later declared ineligible by the Council because it is in essence a book that was published some years ago. Similarly, *The Philosophy of Santayana*, which headed the list of one member of the committee with the note that "it will probably live longer (than the others) and cause more men to think", was considered but not chosen for the final selections. It is true

that this is the first time Santayana's essays were published as a collection, thus making available to the general reading public the writings of the founder of the philosophical doctrine of critical realism, but most of the essays have already appeared in print. Another difficult decision was faced on *The Bible: Designed to be Read as Living Literature*, as arranged and edited from the King James Version by Ernest Sutherland Bates. Here, too, the fact that *The Bible* was unquestionably one of the year's most significant contributions to literature did not assure it a place on the list since it did not qualify as a new work.

While six of the books on the list are not favored by best-seller recognition, the group as a whole gives definite promise of a long existence. The test of a first-rate work, as Arnold Bennett once pointed out, is that the reader finishes the book. According to this test, then, the ten books selected by the Council should keep pace with the years, for, regardless of subject, they are all highly readable. Even so technical a subject as the gold standard is divorced from the obscure and becomes clear and understandable in Dr. Cassel's book, one

of those on the list. And for sheer literary brilliance, *The Flowering of New England* is surpassed by few literary histories in the past generation.

But readability alone is not sufficient to qualify a book as outstanding. The free flow of words must serve some function if they are to have meaning. Here, too, each of the ten books definitely says something of importance. At least three were prominently mentioned in connection with the recent presidential election; one of them (*Sweden: The Middle Way*) was reported to be largely responsible for the creation of a special committee to study the Swedish cooperatives. All the others on the list likewise carried the full weight of authority in their own fields. Professor Bemis' work has already won acclamation as a landmark among American histories; Mr. Laidler's *A Program for Modern America* has been widely mentioned in discussions on government and economics, and *Hamilton Fish: The Inner History of the Grant*

(*Continued on page 126*)

A Happy New Year for *Kathryn*

Dear Warner:
You can toss away the memorandum of that other phone number now as we have one of our own! And if you don't think I feel swell about it, you're not the smart brother I think you are. I get a kick every time I pass that telephone in the living room.

Kathryn

The number is Exchange 2376.

THAT'S a real letter—written by a real Kathryn—to her brother. You can read her happiness in every line. She's mighty glad to have the telephone back.

And so are a great many other men and women these days. About 850,000 new telephones have been installed in the past year.

That means more than just having a telephone within reach. It means keeping the family circle unbroken—contacts with people—gaiety, solace, friendship. It means greater comfort, security; quick aid in an emergency.

There's a lot more happiness for everybody when there's a telephone in the home.

BELL TELEPHONE SYSTEM

LOG OF MAJOR CURRENTS

1936 IN REVIEW

At Home:

THE year 1936 will go down in American history as largely devoted to a struggle over New Deal objectives. We say objectives advisedly, because many of the experiments tried and methods adopted in attaining them have been discarded as impractical. The objectives, however, not only remain but have been endorsed by an overwhelming majority of the people. They include nothing less than a reorientation of basic ideals. "Individualism" will no longer be tolerated as a smoke-screen for the development of corporate power and vested interest. Human rights will no longer be subordinated to property rights. Commercial success will no longer be glorified as the noblest aim in life. While all this may seem to be revolutionary, because it opposes recent trends, it really represents a reversion to some of the original concepts out of which the American Republic was born.

For the moment our Government may appear to be taking the side of labor as opposed to capital, the side of indigence as opposed to achievement, the side of failure as opposed to success, etc., but in reality it is taking the side of justice as opposed to certain social and economic crystallizations which interfere with justice. No one should mistake such temporary and imperfect institutions as the AAA or NRA for the New Deal. They were mere incidents in the larger scheme to change the general direction of our mental roving.

From the beginning, President Roosevelt and his advisers have made it clear that they were devoted to the idea of raising the mass level by breaking down some of the bigger handicaps to mass expression. With this end in view, they encouraged organization on the part of workers and farmers, while strengthening public regulation of powerful employing groups. They admitted frankly that, while some of their experiments might fail, they proposed to go steadily forward and that, while they might find it desirable to change their tactics, they would not give up the underlying purpose.

In reviewing what has occurred since the New Deal was inaugurated, one discovers some rather astonishing revelations. While most people were willing to agree with its objectives, many decided to oppose it because of its interference with the methods and practices to which they had become accustomed. They worked themselves into a passion, for instance, over the idea of collective bargaining on anything like a general scale. Also, they developed a fevered resentment against even mild or tentative crop control. They could not see the wisdom of their Government adopting or applying methods which they themselves had long since adopted and applied in their own particular activities. A bitter, if somewhat shallow, struggle ensued, reaching its climax in 1936, and concluding with the November election.

Peak of Opposition

The year 1936 opened with opposition to the New Deal at its peak. On January 6, the Supreme Court outlawed the AAA and less than three weeks later, the Liberty League held that famous dinner at which Alfred E. Smith, former Governor of New York and former Democratic Presidential candidate, set

Daily Herald, London

CONSOLATION PRIZE

the style and tempo of the anti-New Deal campaign. Meanwhile, the budget remained hopelessly unbalanced, and relief, both direct and indirect, reached staggering proportions. Many business leaders were persuaded to believe that the country was actually threatened with a collapse of public credit, and that the economic structure was menaced with such radical innovations as might destroy its efficiency. They were ready to organize, to spend, and to proselyte in behalf of anybody or anything that promised to beat the Roosevelt Administration. Demagogues, professional politicians, and crackpots seized on the apparent opportunity to promote themselves and their ideas for assured compensation. Seldom in its history has the United States been visited by such an outpouring of visions and voices.

Dr. Townsend is reported to have collected nearly a million in behalf of his Old Age Pension Plan, while Father Coughlin did nearly as well through his Union for Social Justice. The Republican Party raised a campaign fund which not only exceeded all records, but turned out twice as big as that of the Democrats. With the tumult of opposition rising on every hand, the Roosevelt Administration showed signs of real worry in March and April, abandoning the Quoddy Power Project and the Florida Ship Canal, and seeking to provide a revenue backlog by the corporation surplus tax. Its position appeared to be still further weakened when Congress authorized payment of the soldiers' bonus over the President's veto in the middle of June. When the conventions assembled, most people took it for granted that the Republicans had at least a fighting chance, and this opinion was strengthened by the noisy formation of a third party some weeks later. Governor Landon's nomination as Republican candidate for the Presidency was accepted as indicating a rise in the tide of adverse sentiment toward the New Deal. He was hailed as a leader from the hinterland, a "horse-sense" philosopher, typifying the best American tradition and promising a return to old-fashioned politics. He was showered with funds and support, particularly by those industrial leaders who felt that the New Deal was digging the ground out from under their feet. The confidence of his followers was greatly strengthened when William Lemke was nominated at Cleveland with the alleged endorsement of Townsendites and Coughlinites. Not only most Republicans, but many Democrats felt that this coalition would divert millions of votes from President Roosevelt. In September, the chances of triumph for the New Deal, though still somewhat favorable, appeared too even for comfort. After that, however, opposition grew steadily weaker and by the last of October, everyone except a few die-hards realized that President Roosevelt's re-election was assured.

Labor's Part

There is no doubt that labor solidified back of the New Deal and that it registered its vote almost unanimously in favor of the New Deal. Neither is there any doubt as to why labor took this position. To a measurable extent, the New Deal represents aims and ideals for which labor has been working these many years. Its reaction, therefore, was perfectly normal, and so was that of the farmers.

The New Deal's popularity, however, goes deeper than trade unionism or payment for plowed-under crops. Primarily it rests on the general belief that this era of mass production and organized industry calls for readjustment. People of all classes, but particularly the working and middle classes, feel that they enjoy no such social security as they could and should under a government like ours. They feel that there is too great a spread between wealth and poverty, that something has occurred whereby vast fortunes are piled up with effort by some, while those

who toil seriously and constructively fail to get their rightful share. They feel that a gradual redistribution of wealth and profit is in order and, while they want this done by methods which come within the framework of the American political system, they insist on its being done.

The split in labor which synchronized with its virtual unanimous support of the New Deal should not be taken too seriously. While a sharp division appears to have arisen between those who favor industrial versus craft unions, the real issue is which crowd shall control future policies, and the probabilities are that it will be settled by compromise. The very nature of modern industry would seem to indicate both craft and industrial unions and that they can cooperate effectively if, as, and when the proper relationship is established.

The vital problem in connection with labor and labor organization is to discover some formula whereby its chronic disputes, not only with employers, but within its own ranks, can be settled in an orderly manner. The solution of that problem depends as much on labor as on other people.

Happy Ending

Despite all the shouting and sidestepping all the raucous disagreeing and dividing, all the mistakes and disillusionments, we Americans come to the end of 1936 in a happy, hopeful state of mind. Compared to most other countries, we are in a splendid position to move forward with assurance. We are at peace with all the world. We have avoided violence and disorder within our own borders; we have proved our capacity to make drastic changes without disturbance; we are steadily moving forward toward recovery.

Regardless of our unbalanced budget and extravagant spending, our credit is still unassailable. For the first time in a generation, we have something like a national program to follow. That program has been approved by a vast majority and is now being accepted with good grace by those who opposed it. Through voluntary wage raises, through bonuses, and through declarations of willingness to cooperate, business has placed itself squarely behind the New Deal. That does not mean that business or other people are prepared to accept every scheme put forward in the name of the New Deal, but it does mean that the underlying aims and objectives will meet with far less resistance than they have in the past. Issues of less importance than that of the New Deal have thrown other countries into civil war, established dictators, and led to repression. The thought that such issues might arise have induced other countries to abandon democratic ideals and to invoke a degree of discipline which can only retard progress. The American people have a right to congratulate themselves on the fact that they could inaugurate such changes as the New Deal implies without major disturbance; that they could accept the challenge of meeting modern problems without forsaking their system of government or the principles on which it rests. They have furnished the world a vivid example of the workability of Republican government.

World At Large

IF A politically minded Rip van Winkle had decided to slumber throughout the year 1936, he would have settled down to rest with hope in his heart, but fear in his mind. His hope would have been inspired by the fact that for the first time in history the society of nations had agreed to take action against an act of unprovoked aggression, that nations were applying economic sanctions against Italy to prevent the seizure of Ethiopia, and that the League of Nations seemed on its way to follow the precedents of the Saar plebiscite rather than the Manchurian episode.

But his awakening would have told him that his mind had been right. For all the old landmarks, obscured in late 1935 by wishful sentiments, were now clearly visible. The deification of the nation-state, unbridled national sovereignty, the desire for peace which would not measure up to paying the price of peace, and the philosophy of "what we have, we hold" and its corollary, "what we haven't, we'll grab"—all this would have greeted him in the steely dawn of 1937.

Highlights of 1936

These things are old, familiar landmarks. The year 1936 followed along the trail they marked, striking off at no new and unpredictable tangents. It will be noted by the historian, however, as the year marking three major developments which, seen in the revealing light of hindsight, followed logically out of the immediate past, affecting—and

THE WORLD IN 1936

promising to affect still more—the map of the world as it has been known.

The first of these was the Italian conquest of Ethiopia, the emergence of Italy as an imperial power and the consequent collapse of the only worth-while progeny of the last war—the collective peace system.

The second was the resurgence of Germany as the most important political factor on the European continent, if not in the world. Rearmed, and with complete sovereignty regained over her own territory, the Reich has revived the dream of a German *Mitteleuropa;* linked with Italy and finally with Japan, she has made fascism a dominant international force and has brought the Far East within the orbit of continental politics.

The third development, intensified and accentuated, but not induced, by the Spanish civil war, has been the tendency of bewildered citizens to seek security in dictators, either of the right or the left, the assumption of diplomatic leadership by these dictators, and the bitter struggle, manifested in varying degrees throughout the entire world, between the ideologies which they represent—fascism and communism. As a corollary of this, the democratic nations found themselves at the end of 1936 with an influence in world politics humiliatingly inferior to that which they enjoyed a momentous twelvemonth earlier.

Ethiopia Tests the League

If the League of Nations had been able to pick its spot for a test case, it could not have done much better than to select the Italo-Ethiopian conflict.

The Manchurian episode of odious memory could at least be excused on the ground that it was ten thousand-odd miles removed from Geneva; but the Ethiopian crisis reached into the heart of European affairs and threatened directly the Mediterranean interests dear to Great Britain, which was then dominating League councils.

There was no doubt as to which party was the aggressor in the dispute. In fact, there was more than a suspicion that the Italian desire for an Ethiopian empire, impelled by internal economic deflation and fascist jingoism, had been broached at the meeting of the Stresa powers in 1935, but tacitly evaded. At the same time, Marshal de Bono, in a recent book prefaced by Mussolini himself, declares that the groundwork of the campaign was begun in 1932, actual military plans having been drawn up in 1934.

Il 420, Florence

AT THE LEAGUE OF NATIONS' DOOR

***Azana:* "*Won't you adopt me, I am an orphan without bread?*"**

"Thanks, I have nearly ruined myself adopting this one."

The task of curbing the aggressor in this particular case was not insuperable. Italy's economic position made her particularly susceptible to the mildest form of League action—economic sanctions; December 1935 found her with a minimal gold reserve and an adverse trade balance of 300,000,000 lire. In Ethiopia, geography gave the native troops an initial advantage and placed the superior mechanical equipment of the invaders at a discount, while the limited duration of the season between the rains threatened the Italians with the expense of a new campaign should they fail to gain their objective by June. Finally, there was the difficulty of transporting Italian troops to the scene of hostilities; if worst came to worst, the closing of the Suez Canal provided a potential second line of defense between economic and military sanctions.

Collective Action

At the beginning of the year, sanctions provisions were in force under five heads: the embargo on arms shipments to Italy, the prohibition of loans and credits to Italy, the boycott of Italian goods, the ban on exports of transport animals, rubber, and certain metals, and the arrangements for the compensation of nations losing trade through the imposition of sanctions. Conspicuous by their absence from the list were the key war mate-

rials. And missing from the sanctionist front were Austria, Hungary, Albania, Paraguay, Switzerland (in part), and, of course, the main non-League nations, Germany, Japan, and the United States.

All in all, however, this was a commendable degree of unity, and hopes ran high for the success of the experiment. Between December 1935 and March 1936, Italy's exports fell from 17,155,000 to 1,802,000 U. S. A. gold dollars, and her imports, from 21,736,000 to 5,742,000 gold dollars. At the same time she was losing 12,500,000 gold lire a day, 2,039,000,000 having been exported out of the gold reserve of 4,316,000,000 lire announced by the Bank of Italy on October 20, 1935.

In the face of this the Fascist war bill still mounted. January, February, and March saw a series of special decrees authorizing new expenditures in East Africa, and an unofficial estimate placed the cost of the campaign up to the end of March at seven billion lire.

There was no disposition on the part of the League of Nations, however, to push the vital oil sanctions, a question which was referred to a Committee of Experts on January 22. The report, issued on February 12, suggested that such a move would be valueless without the adherence of the United States, and although the British forwarded it at the next meeting of the Committee of Eighteen on March 12, the matter was allowed to drop. The proposed closing of the Suez Canal met a similar fate.

The rest of March and the first half of April saw the resurgence of the idea of conciliation out of the ashes of the ill-starred Hoare-Laval plan of November. This produced nothing but a final plea from the League to the Italian Government, issued on April 20. Coercion had disappeared into the background, and it only remained for Italy, by means of a dramatic spurt before the June rains set in, to occupy Addis Ababa on May 6. The lifting of sanctions by the individual nations and, finally, by the League itself on July 15, comprised only a formal anti-climax.

Glasgow Bulletin

AN OLIVE BRANCH ON A BAYONET?
The Foreign Secretary has made adequate reply to Mussolini's rather truculent offer of friendship to Great Britain.

Post Mortem

After such a brave beginning, why the sudden about-face on the enforcement of sanctions? Five reasons may be suggested:

First, lack of assurance that the United States would consider curbing her oil exports undoubtedly threatened the efficacy of oil sanctions.

Second, there must be reckoned the confounding of the military and financial experts by the last-minute Italian drive. The sanctionist nations had been hoping that financial pressure and the June rains would defeat Italy without any further efforts on their part; in this, unfortunately, they were proved wrong.

Third, one must consider the fear in certain powerful circles in England that the collapse of Italy would mean a bitter defeat for capitalism; they preferred even the success of the Italian threat to the route to the Far East.

Fourth, the British Government was becoming acutely aware of the nation's deficiency of armed strength, particularly in the Mediterranean where the Italian air force was promising to prove the obsolescence of the battleship as an instrument of war. By March Prime Minister Stanley Baldwin's mind had negotiated the following neat circle of logic: The National Government had been elected on a platform of peace; this meant collective action and, hence, economic sanctions against Italy. But the continuance, if not the intensification, of economic sanctions would involve Great Britain in war with Italy, which would

Glasgow Evening Times

HALF-WAY INN—OR OUT?
Recognizing Franco

deny the Government's popular mandate. Therefore, sanctions should not be pressed.

But finally—and of most importance—came the rise of a new threat to the North. Germany had introduced conscription; on March 7 she had remilitarized the Rhineland. Both France and Great Britain preferred to pay off Italy with a substantial slice of Africa in the hope of gaining her as an ally against the Teuton.

Upshot of the Dispute

Half-hearted as they were, sanctions proved a costly experiment for Europe. One estimate places the cost of the Ethiopian war to Europe, excluding Italy, at more than $600,000 a day. Great Britain and France calculated that they had each lost approximately $20,000,000 worth of trade. And more vitally affected were the Balkan countries; Yugoslavia, for one, had been accustomed to sending 21% of her exports to Italy.

To Great Britain, hers was a heavy price to pay for the sour sight of Mussolini sitting astride the Mediterranean route to the Far East. Egypt and the Sudan had been placed between Italian pincers. Doumeirah Island, overlooking the southern entrance to the Red Sea, had been fortified, as had Pantellaria, commanding Malta in the Mediterranean, and the Dodecanese, overlooking the entrance to the Dardanelles. Italian agitators were at work stirring up the Arabs and the Egyptians against the English—with notable results in the former case. More serious was the proved inefficacy of the existing machinery for the prevention of war. For all nations this was an eventuality which could not be regarded with equanimity. For Great Britain, it meant that she suddenly found herself short of arms in a world in which arms were all that counted.

France lacked the security afforded by a system which she had so successfully maneuvered to her own ends. But the real losses were absorbed by the smaller nations. Their independence no longer assured, they remembered Dickens' saying: "'Every man for himself,' said the elephant as he danced among the chickens." Discretion and often necessity demanded that they seek salvation in the protection of a great power—and in many cases one of the dictators was the nearest available help.

True, the League did reassert its principles once more, when in September, the attempt to unseat Ethiopia was thwarted. But the

gesture was ineffective, and it did little to divest the several plans for the reform of the League which were propagated during the summer of their shrouding of unreality.

Triumph of Bluff

Two phases of aggression in 1936 had a profound bearing on the future.

The first concerns the reluctance of the League nations to press sanctions for fear of provoking a war with Italy. Marshal de Bono in his book (already mentioned) discloses receipt of a message from Mussolini during the campaign: "He [Mussolini] told me that *if we got into trouble with the English*, we would naturally be obliged to renounce our offensive action and content ourselves with keeping to a defense which would have insured the integrity of the colony [Eritrea]." In other words, the bluff could have been called.

The second incident relates to remilitarization of the Rhineland. It has since been disclosed that the Reichswehr was opposed to this move; in fact, it has been told that Hitler went so far as to give his generals the orders to evacuate in the event of French mobilization (*see France Outbluffed* in Current History for October 1936). The reputation of the authorities who have brought this to public attention is such that it can safely be accepted as authentic, at least in principle. In short, Hitler would have backed down before a bold front.

These two incidents may be considered the crucial events of the year, for they established as a safe diplomatic technique the presentation of the *fait accompli*, thereby turning the page for the year's next, and most serious, chapter—the resurgence of Nazi Germany and the dominance of the dictators.

German Sovereignty

If Hitler had aided Mussolini's success in Ethiopia, he was in Il Duce's debt for paving the way for the obliteration of the Treaty of Versailles. He could also thank the liberal opinion of the world, which lent tacit assent to the rectification—no matter by what means—of what it felt to be a flagrant injustice. As *The Week* ironically stated: "The British public is not pro-Hitler, but pro-Stresemann, and * * * the news of his death, when it reaches this country, will come as a grave shock to many."

Remilitarization of the Rhineland in March and the renunciation in November of international control of the chief waterways—the Rhine, the Elbe, the Oder, and the Danube Rivers—restored to the Reich full sovereignty over her own territory. Less easy for the outer world to palate was the course of Nazi expansion abroad. This may be divided into two phases—the economic and the political.

The main drive for the extension of German economic influence since 1933 has been concentrated upon southeastern Europe, the establishment of a regional economy (*Grossraumwirtschaft*) having been a favorite theory of the National Socialist economists, although not, incidentally, of Dr. Schacht.

The motivating reason for this has been the fact that the economy of the southeast is naturally complemental to that of the Reich. From the German point of view, complete self-sufficiency is impossible, no matter how graciously citizens accept the slogan "Guns instead of butter." The next best alternative, then, is the assurance of supplies from a contiguous territory; and Balkan fruit, eggs, lumber, fodder, fibers, oils, and fats fill the bill nicely. Drastically short of foreign exchange, the Reich has been able to evolve machinery which overcomes these difficulties. Instead of the usual employment of international exchange, importers make payments in their own national currencies into a clearing account, generally with the national central bank; exporters are paid out of the funds thus accumulated.

In Balkan eyes the arrangement has definite advantages. These nations have been largely built up by foreign capital—chiefly British and French. The cessation of foreign lending after the financial crisis of 1930 brought a hiatus in their economic development. Failing to receive further loans from former investors, they sought funds from the exchange of commodities. Their greatest need has been an assured outlet for their agricultural products and raw materials; this, Germany has offered to supply through the bilateral agreements in question. At the same time, the variable arbitrary values of the mark have often made possible the realization of a considerably higher price than might otherwise have been received for these products—an expense Germany was willing to meet for political reasons.

Under these influences German-Balkan trade has grown apace. In 1936 a new factor entered. It is clear that if imports and exports do not equal each other in the clearing

accounts, a balance accrues to one or another country. By June 1936, five Balkan countries had a credit on Germany to the amount of 100 million marks—a sum which the Reich lacked the foreign exchange to pay. This was the prime reason for Dr. Schacht's June visit to Budapest, Sofia, Athens, and Belgrade; either the Balkans had to absorb a sufficient surplus of German exports in the shape of iron and steel, chemical products, machines, and, more particularly, armaments, or else they stood no chance of collecting on their debts.

And so German exports to the Danubian and Balkan bloc, which increased from 191.6 to 319.9 million marks between 1933 and 1935, were expected to reach the figure of 420 million in 1936. And imports from those countries, which jumped from 235.4 million marks in 1933 to 412.5 in 1935, were expected to exceed 450 millions in 1936.

Devaluation may affect this arrangement, since it will permit nations which have recently left the gold standard to undercut Germany in the foreign markets. But so far this factor has not adversely affected Germany's foreign trade, partially because of the compensating measures which Germany has put into effect, such as export subsidies, and partly because of the rigid character of the bilateral agreements which she favors.

In passing, mention must be made of the fact that Germany is now no negligible factor in the economy of the Far East, her exports to China now exceeding those of Great Britain. A potentially significant event, therefore, was her signing of a trade treaty with Manchuria last April.

Fascists, Unite!

On the political side, German diplomacy scored a triumph with the announcement on July 11 of an Austro-German agreement. Outwardly, this treaty provided for Germany's recognition of Austrian independence and Austria's recognition of herself as a "German state."

Just what caused the wolf to lie down with the lamb at a time when the outside world expected to see the latter devoured, has not yet been fully disclosed. Many observers saw in it an insidious but effective means of achieving *anschluss;* the treaty has been described as "a gentlemen's agreement between two gentlemen, one of whom is not sure that the other is." The main question is, Why did Italy agree to a move which promised to bring German influence down to the Brenner Pass?

The probable explanation is that the two fascist powers, both undoubtedly cognizant of the impending Spanish revolt, foresaw the need for collaboration and decided to bury existing differences—for the time being, at any rate.

Following another show of German strength—the doubling of the period of compulsory active service in the Reich Army in August—the two dictators emphasized their new-found solidarity and reached an agreement on October 25. The two powers were to cooperate in matters affecting their parallel interests; Germany was to recognize Ethiopia, as a reward for which she would receive certain economic concessions. Both countries agreed to maintain Spain's territorial and colonial integrity. They were, above all, to defend European civilization against the menace of communism. And they were to cooperate in the Balkans.

The fascist front was hardening in the face of the Spanish war, and now, to all intents and purposes Germany, Italy, Austria, and Hungary could be considered a fascist entente.

It only remained for the German-Japanese accord to bring Asia into the anti-communist bloc. Specifically denying the intention of any armed force, the treaty was ostensibly aimed at the activities of the Communist International, and not the Soviet Government, but since the instrument of "world revolution" is virtually non-operative, this protestation of virtue can be taken with a grain of salt.

Anti-Fascist Front

Inevitably, there grew up during the year an opposition to the fascist offensive. This opposition has, in fact, been seized upon by the fascists as an excuse for further activities, but the extent to which this errs from the truth is demonstrated by the essentially defensive character of the anti-fascist movement.

Soviet Russia has found herself obliged to place the defense of her national position above the propagation of communism, even at the expense of watering down the ruling doctrines. The new constitution with its assertion of the rights of free speech, the restriction of abortion and the tightening up of the marriage laws, the banning of an opera because it ridiculed religion—all can be seen as moves to wipe out prejudices which might prevent alliances with other anti-fascist states. More remarkable was the amazing trial and conviction of the Trotzkyites, but if this was

a method of impressing upon the outside world Soviet Russia's abandonment of the "world revolution" idea, it was extreme and cruel enough to defeat its own ends.

Defensive, too, has been the most significant anti-fascist development of the year—the conception of the Popular Front. Its weakness has been that it has represented a union on the *negative* basis of opposition to fascism, rather than on a *positive* program of reform, but it has, nevertheless, provided a symbol with an appeal equivalent to that of the New Deal in America. The Popular Front and the clenched fist have proved an effective rallying force in Europe, fulfilling a role which could not have been achieved by the comparatively arid and unemotional concept of Fabian gradualism.

Thus, 1936 saw the introduction of Popular Front Governments in France and Spain. And in the international sphere, the Franco-Soviet pact came to the fore as the diplomatic embodiment of the same principle.

Clash in Spain

The French Popular Front, headed by the Socialist Leon Blum and comprising Radical-Socialists, Socialists, and Communists, enjoyed —for a French government—remarkable stability, despite the difficulties which its very composition entailed. It was *in Spain*, however, that the growing forces of fascism and anti-fascism collided.

The moderate Left Republican Government, elected in February, had encountered difficulties in tempering the demands for positive action against the large landowners and the temporal powers of the Church, made by left-wing elements to which it owed its election. Economic conditions, already bad, were accentuated by the strikes with which the Left sought to reinforce its demands at the same time, the indecision of the Government was exaggerated by the sabotaging tactics of the Right, under Gil Robles, in the Cortes. Democracy, in what transpired to be its last hour for years to come, appeared at its worst.

Not radical enough for the workers and peasants, the Government was too "leftish" for the propertied interests and the Army. It is probable that Premier Azana knew the extent of the disloyalty of certain Army leaders; yet he did not feel strong enough to execute them. As a compromise they were banished to Spanish outposts, where they enjoyed an unrivaled opportunity for hatching the revolt. That the rebels were amply financed by the moneyed interests is scarcely open to doubt. It is also apparent that they acted with the connivance, certainly of Germany, and in all probability, of Italy as well. Considerable evidence of Nazi activities in Spain has since been brought to light, particularly in the *Manchester Guardian*; General Sanjurjo, who but for an accident would have led the rebels, is also known to have visited Berlin shortly before the outbreak.

Consequently the murders of a member of the shock police and of a monarchist deputy were no more than convenient signals for the commencement of hostilities.

Stakes in Spain

Even in early August it was clear that, whatever the outcome, Spanish democracy was doomed and that the victorious party would be of an extreme hue, either of the Right or of the Left. A victory for the conglomeration of Royalists, Fascists, and Nationalists, who comprised the rebel group, would mean a fascist regime with close ties to Germany and Italy. A victory for the Left would involve a communist or anarchist regime, probably linked to Russia.

The interests of Italy and Germany were all too immediately apparent. Portugal, too, under the Salazar dictatorship, feared lest a communist Spain should spill over and swamp the regime.

France was caught two ways. A rebel victory would mean that she would find herself sandwiched between two fascist powers; furthermore, German allies in the Balearics and the Canaries would cut her off from her colonial troops, reducing her potential European military strength by 20%. On the other hand, a communist victory would bolster the power of the Left Wing of the Popular Front —an eventuality which Premier Blum did not feel confident he could handle.

Great Britain had commercial interests in Spain and, more particularly, in Portugal. As a capitalist power, she preferred the prospect of a rebel victory. As a democratic power, she did not see much to choose between either combatant. As an imperial power, however, her supreme interest was that no unfriendly nation or group of nations should come into control of the Mediterranean Islands which were situated so strategically vis-a-vis her sea routes.

The interests of Russia were as obvious as those of Germany and Italy. There has been no reliable evidence, however, to the effect that

she was engaged in manufacturing a communist revolution in Spain; in fact, the whole trend of Soviet foreign policy during the year suggests that this was no more than a canard propagated in the interests of its inventor.

Spain Insulated

The Spanish conflict was more than a war of interests. It immediately became the focus of the struggle between the two creeds which had been gathering strength during the year and which found in Spain a terrain on which they could fight it out. Sympathies divided, not only nations, but also classes within nations; few could justifiably claim indifference concerning the outcome. The chances of genuine neutrality were correspondingly less, and the dangers of the contagion's spread to a wider battleground consequently greater.

Under international law, the legally constituted Madrid Government had a perfect right to receive arms from its sympathizers abroad. But the first reaction of Great Britain and France was to attempt to insulate the conflict through an agreement by which all outside nations, whatever their political stripe, would forego the right of supplying arms to either combatant.

It was already apparent that the fascist powers had been supplying the rebels, especially with aeroplanes. The first objective of the democratic powers was, then, the defensive one of cutting off this source of assistance, and France, which led the move for non-intervention, made it clear that she reserved the right to come to the aid of the Government forces should the fascists not live up to their side of the agreement. In effect, however, the democratic nations bartered away their right to support Madrid for a promise that the fascists would abandon an illicit connection with the rebels.

For a time it seemed that the plan might work. By the third week in August all the major powers had signed up—although after endless diplomatic bickering and in each case upon the condition that the nation in question would only observe the agreement to the extent that its rivals did. On September 9, the non-intervention committee held its first meeting in London.

The "Open Door" in Spain

Whatever hopes may have been engendered by the neutrality pact, it was soon obvious that German bombers had blasted the way to Madrid for the rebels and that Italian help had made possible the establishment of rebel bases in the Balearics. Portugal itself was wide open and gun-runners crossed the border into Spain like water through a sieve.

Russia brought the matter forcibly before the committee, and London became the scene of all the violent recriminations of outraged innocence Germany and Italy denied all the charges and accused the Soviet of aiding Madrid.

But as the rebels closed in around the Spanish capital, Germany, Italy, and Portugal abandoned all pretense of neutrality; the victory which seemed so imminent was far more valuable than the observance of an international agreement which, they had convinced themselves, Russia was breaking anyway. Portugal, and then Germany and Italy, recognized the rebel regime out of hand; and with this encouragement, General Franco declared a paper blockade of Barcelona, while the Fascist Grand Council in Italy declared itself willing to go to any lengths to prevent supplies from Russia reaching Spain.

Still victory eluded the rebels. This was in part due to considerations of military strategy. Franco, already in need of recruits, was obliged to weaken his front by keeping outposts north and east of Toledo to ward off a possible flank attack. Then, as the siege of Madrid set in, the Government began to receive assistance almost certainly from Soviet Russia. Further, the International Brigade—composed of foreign liberals, communists, socialists, democrats—had materially bolstered the loyalist ranks with soldiers of some experience and much enthusiasm.

As the year drew to a close the rebels were thwarted at the gates of Madrid, but were in possession of the northwestern half of Spain; the Government had moved to Valencia, Loyalist troops grimly holding on to the Spanish capital; and an anarchist regime, friendly to the Government, had been firmly established in Catalonia. The war seemed deadlocked.

Why Intervention?

Why did the democratic powers insist upon the maintenance of the non-intervention agreement long after it had become a farce, particularly since it promised the rebels a victory which they could not otherwise gain, and which could only be unfavorable to the interests of the democratic nations themselves.

The Communist section of the French Popular Front soon became vocal against the policy, but the bulk of French opinion seemed to prefer the attitude that perhaps Franco was not so bad after all and that there was no use taking undue risks to prevent a victory which had seemed inevitable.

British pressure was equally influential in keeping the French in line, and Great Britain may be credited with the burden of responsibility for the maintenance of the non-intervention policy. Imperial interests, absorbed with the Mediterranean sea-route, suggested the desirability of a Government victory. On the other hand, commercial and capitalistic interests saw that a rebel triumph would save *substantial investments in Spain and Portugal.*

This conflict seems to have been reconciled by two assumptions: first, that a rebel victory was inevitable and that to open the sluice gates for French and Russian assistance to the Government would only prolong the war without affecting the result; second, that Franco was not in pawn to Germany and Italy, and that if victorious he would still be manageable the more so in that he would owe large sums for his mercenaries and England was the most available lender.

These considerations were reinforced by the argument that the committee in London provided an invaluable safety valve for the "blowing-off" of incidents likely to lead to wider conflict, and that, if nations were allowed to participate openly, their national prestiges would become so involved that there would ensue a general war between fascism and communism which could not be confined to Spain.

Extremes Meet

It can be said of the non-intervention policy that the first two assumptions were proved wrong; an earlier supply of arms, in all probability, would have assured a Government victory and at the same time prevented the extremist sentiments which will inevitably dominate the next official Spanish regime, whatever it may be. Nor can it be denied that General Franco will be mortgaged up to the hilt to Hitler and Mussolini.

As for the conflict between fascism and communism, that is being waged merrily on all fronts as it is. Germany and Italy, by dint of their premature recognition of Franco, have their reputations at stake; they will not tolerate a loss. Russia is equally persuaded that fascists should not rule Spain, although she will not go to the same lengths as Germany and Italy to achieve her desires.

At the fourth Nazi conference Hitler spoke menacingly of Russia with her Urals and the Ukraine. A press war has been raging between the two nations. Italy, too, has stepped into the fray, and fascist movements raised aggressive heads in France and England.

The Spanish war was further responsible for precipitating the Catholic Church into the struggle. Always opposed to communism, the Vatican took up the cudgels aggressively during 1936. The Holy See planned to extend the activities of the *Pro Deo* committees organized in several European countries to unite Catholics and Protestants in the fight against communism. An international rally was announced for April 1937 for the purpose of "averting from Christendom the menace of communism." This development has not only served to assure the presence of such clerical states in the fascist fold, but may also act in the future to undermine such movements as the Popular Front in France in which Catholics have united with communists for the secular and humanitarian purpose of warding off fascism.

Neutrality in Spain or not, it was clear that the Spanish conflict had intensified the wider struggle and that confinement of the hostilities to the Iberian peninsula was due less to the activities of the London Committee than to *the fact that the dictators* were not yet ready for the larger battle.

China Awakes

The long-suspected treaty between Germany and Japan confirmed, rather than founded, the relationship between the forces dominating Europe and those operating in the Far East. But the Oriental output of fascism, unlike its western contemporaries, lost its initiative during the course of the year.

In January, Japan's Foreign Minister demanded of China "active and effective collaboration with Japan", recognition of Manchukuo, and joint action against communism as a "common cause of all the nations in East Asia." Pressure was continued upon the five North China provinces bounded by Manchukuo, Mongolia, and the Yellow River—Hopei, Chahar, Shantung, Shansi, and Suiyan. By mid-year, the first two were in the Japanese game-bag. Extensive smuggling into North China represented a further attempt to isolate

these provinces from the Nanking Government, as well as a means of substantially cutting into Chiang Kai-Shek's revenues. At the end of the year, the Japanese supported a Mongolian-Manchukuoan attack on Suiyan, with the purpose of cutting off Nanking from Outer Mongolia—the Soviet buffer state.

Russia, the second factor in the situation, concluded a mutual assistance pact with Outer Mongolia and contented herself with strengthening her defensive position by the concentration of troops.

China, the third, and at present the most important, factor in the situation, looks out upon 1937 in a very different mood from that in which she faced 1936. The South China revolt in June, a protest against Chiang Kai-Shek's passive anti-Japanese policy, threatened to disrupt the nation at a time when it most needed unity. But the National Government emerged, without bloodshed, stronger than before; furthermore, the generous terms of the peace settlement indicated that Chiang Kai-Shek was proving more amenable to the South's demands for a bold front against the Japanese.

This, in fact, the Chinese dictator could hardly refuse; nationalist feeling was rising at a significant pace and the spontaneous killing of Japanese evidenced its intensity through the latter part of the year. The nation was achieving an unprecedented degree of unity in the face of the aggressor to the North—so much so that Nanking was able in September to oppose and make strong counter-demands to Japanese requests which were laid down with the implication that the only alternative to their acceptance was war.

Mutual Dilemmas

It has been characteristic of Far Eastern politics during the last year that events have been capable of remaining in a state of serious crisis for almost indefinite periods. This may be explained by the fact that both Japan and China face major dilemmas which would be brought to a head by any sudden and positive action on the part of either.

Japan is irretrievably committed to her North China policy. To retreat means to lose face, and to advance to the west means a collision with Soviet Russia. For the latter eventuality she is not prepared, and the German treaty has proved a diplomatic blunder which culminated in the resignation of her Foreign Minister. At home, she faces a class crisis unless she can find an outlet for her peoples on the continent; but the expense of intensive imperialism or of a consequent war threaten to prove more than her economy could stand.

Chiang Kai-Shek, for his part, cannot flout increasingly powerful national feeling by knuckling down to Japan; he cannot join the Japanese Red-hunt—much as he may dislike the communists—for fear of alienating, not only Russia, but a potent domestic ally against the Mikado. On the other hand, he cannot afford to fight Japan, for that would mean almost certain defeat.

And so Japan and China enter the New Year sitting on a barrel of gunpowder, making bold faces at each other, and not doing much about it.

What of the Neutrals?

From the westernmost tip of the Spanish coast to the easternmost of the Pacific Islands mandated to Japan, nations have been jumping into either the fascist or the communist side of the scales. Impelling them has been the eastward drive of Germany toward the Soviet controlled Urals and Ukraine.

Which way the scales will eventually tip and the success or failure of the embattled Nazis will depend to no small extent upon the actions of those who are trying to maintain a precarious balance between the two forces.

To the east of Germany, the most important development during the year was the renewal of the Franco-Polish alliance in September. This check to Germany was due to the courageous willingness of the French unequivocally to guarantee the assistance Poland asked and to make available funds for Polish rearmament. A corollary of the pact has been the haltering of the Nazis who were about to take over Danzig and who now seem to have been left in the lurch by the Reich. November saw the resumption of negotiations concerning the neutral alliance between Poland and Rumania, which would place a stumbling block—albeit a weak one—in the eastward path of German empire.

But the cardinal objective of German policy has been to sew up her western frontiers so that she might be free to go after the Soviets. Hence she has exerted every effort to break up the Franco-Soviet alliance, which would bring France down upon the German west if the Reich attacked Russia. Mid-summer progress toward a renewal of the Locarno agreements promised to achieve this result, for it

The Realm of Science

THAT electricity is one of the basic factors in the creation and control of life is the pet theory of a great many electrical engineers. From near association with this mysterious phenomenon they have distilled a faith equaling and exceeding worship for electricity, the beneficent taskmaster. Nothing short of life-creation will satisfy these electrical scientists.

Recently Dr. Harold S. Burr, anatomist, Dr. Cecil T. Lave, physicist, and Dr. Leslie F. Nims, physiologist, reported the development of an instrument to measure electrical charges in the body as small as five millionths of a volt. Of course, it has tremendous practical potentialities—science-mongers, and pop-eyed peerers into the future can let themselves go. For instance, the machine can be employed to detect (long before they are divined by the rude methods already at hand) the feeble beginnings of physiological change, such as the development of cancer in the breast of a mouse, ovulation in a rabbit, disturbances in the nervous system of salamanders and chicks.

The inventors have endowed this extraordinary machine with the technical name "Vacuum-tube Microvoltmeter." In appearance the machine suggests a radio set through the incorporation of important radio circuits and amplifying tubes. Like all such scientific names, it manages to conceal the machine's real purpose in the technical syllabication. But this, unfortunately, is a negative criticism since there seems to be no other name handy at the moment.

In technique, the machine reverses the action of its predecessors. Instruments thus far devised to measure electrical activity in living organisms extract current from the body and because of varying resistance have recorded widely dissimilar and unsatisfactory results. However, the microvoltmeter, without drawing current from the body, indicates where and how strong the electricity is. Two achievements result from this method. It is possible to go all over the body finding out the relation between the electrical patterns outlined and what is going on in the body. Beyond that there is the analysis of the electrical properties themselves, the discovery of how and why they appear. This last inquiry is of prime interest to Dr. H. S. Burr who, with F. S. Northrop, philosopher, has evolved a theory of the electrical nature of life formulation.

Many biologists are agreed that life is a physical and chemical phenomenon. In any conception of life they begin with atoms, whether in the appraisal of living or dead organisms. According to Newton, atoms attract each other (a statement that presupposes that two atoms cannot exist in space without attracting each other); and this line of thought introduces the idea of a sphere of influence, or what the physicist calls a "field." For example, the earth has a "field" of gravitation which diminishes in the force of attraction the further it extends into space. This example is literally applied to the atom or the electron to such an extent that in modern physics it is impossible to think of matter without its field.

Curious minds have often wondered why, if matter is composed of tiny particles, each one actively exerting a peculiar push or pull, it doesn't decompose under external stress. Drs. Burr and Northrop have been curious enough to attempt an explanation. Starting with infinitesimal particles, they have arrived at a conception of life. Superficial observation reveals that living organisms are amazingly constant, that they are unified by some force so versatile as to be almost indestructible. Mangled flesh will bleed and heal; tissue, ravaged by disease, will cure itself. Time and again the integrity of the organism will be threatened, only to be preserved. None has, as yet, dared identify this unifying force.

However, Dr. Burr puts forth a tentative explanation. He thinks that in the "field" of the particle lies the force tending to keep man, or even a bit of wood, intact. Further, it is intimated that the "field" alone does not wholly explain the phenomenon, but that the interaction of both the particle and the "field" is essential.

At this point the new microvoltmeter assists the thesis. Since electric currents are found in organisms, it is supposed that they are the accumulative force derived from the fields of the particles which may, or may not, be electrodynamic. Of course, this is almost entirely supposititious. The new microvoltmeter so far contents itself with indicating electrical activity, and, perhaps, assists physiologists in invading a branch of electrical engineering.

Thousands of tests already conducted show that living creatures all generate electricity in measurable amounts, and that each species has its own characteristic electrical pattern. Modes of living are reflected by minute changes in the electrical patterns. In the future it may be possible through the synthesis of this and similar techniques to explain just how a single cell grows into the complex organism that is man, and why a chromosome determines whether eyes will be blue, brown, or black.

Judin's Method

If nothing else, Soviet science has been highly practical. New and daring scientific principles have been ruthlessly applied, although, in some cases to the detriment of many imperfect conceptions. However, much good has come out of the method. For instance, some three years ago D. S. S. Judin of the Sklifassovsky Institute, Moscow, lectured before the Academia Medicoquirugica of Madrid on his method of preserving dead men's blood for emergency transfusion cases. He described how he collected the blood of heart-disease victims, of men killed in street accidents, and of recent suicides, treated it with sodium citrate, classified it according to its agglutinating properties, and kept it in a refrigerator ready for use. The Spanish physicians and surgeons listened eagerly and well, scarcely realizing that an abundant opportunity would be afforded them for putting the method into practice.

Today, it is reported from the Generalidad de Catalunya that Judin's method of using the fresh blood of cadavers for transfusion is being practically applied on the battlefields of warring Spain. Blood is collected from casualties among the soldiers and civilian population, subjected to a Wassermann test, and, to prevent the wrong blood from being injected into a wounded man (in such an instance it would clot and kill him), it is classified as to agglutinating properties. Although blood not more than twelve days old is preferred, there are records where month-old blood has been used successfully.

In Spain the blood is stored and when needed is transported in electric refrigerators on motor trucks in 12-14 liter containers. For each transfusion about 350 cubic centimeters are drawn and heated to the proper temperature. It is doubtful whether successful transfusions are possible on the battlefields as the Spaniards claim. Infection, almost impossible to avoid in the open air, would seriously cut down the record of successes. It is supposed, however, that the Spanish surgeons are taking some special precautions which they failed to mention in the report.

Bomb or Gas?

Military men have disputed violently with civilian authorities as to the possible effects of air bombing in the event of another mass murder. The gist of the argument seems to be whether non-combatants will be incinerated, mangled, or choked to death. The military point to Spain and indicate that high explosives and incendiary bombs have proved the most effective, while the civilian authorities, having been fed a strong diet of stories concerning the horrors of gas, are as firmly convinced that poison is still the most potentially effective.

Since argument is almost useless when combined with an element of fear, the civilian authorities of many European countries have issued instructions which tell the people what to do in case of a gas raid. Underground shelters have been provided, and even gas drills are regularly conducted.

In London the police are employing forty special motor trucks, constructed as gas chambers, to train the police force and fire brigade in the emergencies certain to occur when the downpour comes. At a recent demonstration of the Air Raid Precautions Department, both the heavy service mask and the new cheap twenty-ounce civilian mask (price $1.50) were tested. Bystanders were encouraged to put on a mask and step into the interior of a tear gas filled motor truck, where they were allowed to stay for five-minute periods. In the immediate future the Air Raid Precautions Department states that some 40,000,000 masks will be ready for distribution to the civilian population. They will make pleasant items on any housewife's list.

W. CARROLL MUNRO

Highlights of the Law

SOCIAL SECURITY, one of the New Deal's gifts to the American public, is neither novel nor uniquely American. Its history, like many an American institution, can be traced to the Continent. In this particular instance the French Seamen's Invalidity and Old Age Insurance Fund (1673) seems to be its ancestor. The latter was not only the first compulsory insurance institution created by national law to provide old age security but is considered in all probability the first instance of any branch of social insurance made compulsory by statute. By law enacted in 1833 the British Parliament initiated a policy of offering old age annuities through a National Debt Commissioner to those who systematically prepared for income during their retirement period. Belgium, France and Italy followed in the eighteen fifties with similar legislation.

The first compulsory annuity applying to industrial workers was established in 1889 in Germany. Its main features were patterned after those of ancient mining funds as were the provisions for sickness and industrial accident insurance. Annuities were paid for invalidity, which was defined as loss of more than two thirds of one's earning capacity, and for old age, which was 70. Insured workers and employers had to share the premiums required to finance the benefits, which premiums varied with the wage level of the worker. Annuities were adjusted to the size and number of the premiums paid. To each annuity paid, the Government granted an annual supplement, thus protecting the community against dependency of old age.

Belgium (1891), France (1895), Italy (1898), and Spain (1908) followed, but these differed from the German method, the contributory annuity system of which provided pensions as a right, not conditioned on need. Subsidies were offered to these individual annuities voluntarily purchased from the Government. In the case of Belgium and Italy they amounted to one half or more of the total cost: in the case of France and Spain, a much smaller sum. Denmark, in 1891, established its system of gratuitous pensions. It offered money grants for meritorious citizens who were unable to maintain themselves in old age. Having been self-respecting workers, who had made a valuable contribution to their community, they were entitled to some return where their own means failed. This governmental guarantee against insecure old age was, however, awarded only upon the satisfactory proof of compliance with stringent moral requirements. The applicant must not have been convicted of crime, vagrancy, mendicancy. He must have lived in a manner not offensive to public morality; nor accepted within ten years of his application any poor relief assistance.

The basic principles of the Danish plan were adopted by New Zealand in 1898. The size of the pension was dictated by the terms of the statute, instead of being within the discretion of the administrative authorities as in Denmark. In 1905, France enacted the gratuitous pension measure, and in 1908 the Commonwealth of Australia followed suit. The gratuitous pension type of old age security placed a premium on dependency, for the more the applicant had, the less he received from the Government. Enforcing the moral qualification clauses offered no small obstacle to the successful administration of the system.

The insurance or annuity plan had decided advantages over this gratuitous pension method. Requiring systematic contributions during working years lightened the tax burden. Granting the annuity as a right took it from the class of relief. France, Luxembourg, Rumania and The Netherlands and Sweden enacted compulsory old age insurance prior to the World War. Between 1918 and 1930 similar steps were taken by some 13 European and several Latin American countries. All except Sweden, Belgium, and Chile (and Great Britain, to a large extent, because of administrative problems) limit compulsory provisions to wage earners. Sweden in 1913 attempted popular coverage requiring insur-

ance of all persons between 16 and 65 unless working in occupations for which old age pensions were already required. In 1925 Great Britain adopted a contributory annuity plan retaining the gratuitous pension feature "denuded of its moral qualification" clause; this latter phase was retained because the entire population could not be guaranteed an income in old age.

American measures, though but a variety of "poor" relief, mark a definite step away from the neglect of the aged. They indicate an appreciative grasp of the problem of old age dependency and the imperative need of providing some security other than institutionalization. But whatever assistance was to be scientifically undertaken had to have a compulsory aspect. Hence the first comprehensive step is directed through industry, over which government exercises no small degree of control. Furthermore, workers are likely to contribute more readily to old age benefits than to other forms of insurance.

Old Age

The Social Security Act is not limited to unemployment and old age. It embraces assistance to dependent children, maternal and child health, care of crippled children, care of neglected children in primarily rural areas, vocational rehabilitation, pensions for the blind and public health. We confine our consideration to old age benefits, child welfare, public health, and unemployment insurance.

The proposal for old age insurance emanated from the staff of the Committee of Economic Security, appointed by the President. The major reasons for their recommendation of Federal legislation were the need to control the upward trend in the costs of old age assistance and the need to prevent the social consequences of increasing dependence upon old age assistance. The shortcomings of private pension plans and the experience of foreign nations with old age assistance and insurance strengthened their belief in the wisdom of Federal control. The advantages of closer relationship between the sources of revenue and the benefits afford more efficient administration.

National administration rather than a Federal-State cooperative plan was deemed desirable, because the mobility of population across State lines required that all actuarial computations be made on a national scale. The innumerable difficulties given rise to by accumulation of reserves by 48 States, varying standards of benefits, rates of States taxes upon employers complicating accounting procedure, indicate that the administration of old age insurance is more expeditiously adaptable to large scale operation.

The Social Security Act provides for two types of protection for the aged: (1) Federal aid to States for old age pensions or old age assistance and (2) compulsory old age insurance for wage earners and salaried employees in all but specifically excluded industries and occupations. In the first case the Federal Government will pay half of such pensions up to a total of $30.00 a month; that is, it will contribute to any one person no more than $15.00 monthly. Should a State wish to pay larger pensions, it would have to bear the burden of all in excess of $30.00 monthly.

Compulsory old age insurance is designed to supplement and to reduce the need for State old age pensions. The Federal tax is levied on employer and employee and applies to all business except those specifically excluded. Therein it differs from the Unemployment Insurance provision of the Social Security Act, which is only imposed upon employers employing eight or more workers for a period of twenty days in twenty different weeks per year. The old age insurance tax is not assessed on the portion of a worker's pay above $3,000.00 annually, whereas the State unemployment insurance tax is levied on all sums paid out in wages and salaries, irrespective of what was paid to any specific individual. Excluded from the taxable orbit of both old age and State laws are agricultural labor, domestic service in private home, casual labor not in the course of the employer's trade or business, maritime service within navigable waters of U. S., Federal employment, employment by State or local Government and employment in non-profit-seeking organizations, religious, charitable, scientific, literary, and educational. However, all workers over 65 are excluded from the Federal tax levied for old age insurance. Furthermore, the old age tax does not apply to casual laborers employed in services other than those connected with their employer's trade or business. While old age annuities are intended to decrease the number of pensioners, they will not eliminate pensions, for self-employed workers, farmers, merchants, and others scheduled in the unincluded occupations do not come under the old age insurance law. To protect these and annuitants

whose income and resources are too low in the judgment of State authorities, pensions will still be needed.

Child Welfare

The purpose of the child welfare phase of the program was to provide "safeguards against misfortunes which cannot be wholly eliminated in this man-made world of ours." As pointed out in the report of the Committee on Economic Security to the President "the core of any social plan must be the child." The effect of economic insecurity on children was graphically brought to public attention when, in the winter of 1934–35, 8,000,000 (about 40% of persons on relief) were children under 16 years of age. The need for a preventive as well as remedial program is beyond individuals or localities to provide.

While early laws granting aid to dependent children in their own homes were restricted to the widowed mother and her children, they later have assumed wider scope. To date, Georgia and South Carolina are the only two States in the Union without laws providing funds for the care of such dependents. Title IV of the Social Security Act authorizes an appropriation of $24,750,000 for the fiscal year beginning July 1, 1935 to be used for payments to the States equal to one-third of the sums expended by them for such aid during the quarter for which the allotment was made. To qualify under it, the State plan must:

> (1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; (2) provide for financial participation by the State; (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan; (4) provide for granting to any individual, whose claim with respect to aid to a dependent child is denied, an opportunity for a fair hearing before such State agency; (5) provide such methods of administration (other than those relating to selection, tenure of office, and compensation of personnel) as are found by the Board to be necessary for the efficient operation of the plan; and (6) provide that the State agency will make such reports, in such form and containing such information, as the Board may from time to time require, and comply with such provisions as the Board may from time to time find necessary to assure the correctness and verification of such reports.

The plan must be approved by the Social Security Board, but cannot be approved unless its residence requirements make every dependent child eligible "who has resided for one year immediately preceding the application for such aid or was born within the state within one year immediately preceding the application, if the mother has resided in the State for one year immediately preceding the birth." Eligibility is not determinable merely by citizenship or residence. School attendance of the children is an important factor in determining the eligibility of the mother to receive aid. Ownership of some property is usually permitted, but restricted. The tendency, however, is to make restrictions less rigid and to depend more upon the application of the principles of social service emphasizing the use of the trained staff in the administering of medical care, planning of better housing, diminishing the work of the mother, and supervising the recreational needs and behavior problems of children. By virtue of Title IV of the Act the principle has been increasingly fostered of the maintenance of home life for helpless children, particularly in rural areas. That this is a reasonable social objective is now generally recognized. From the maze of divergent policies existent in various States, through the grant-in-aid, the Social Security Board may effect harmonious, if not identical, plans throughout the country.

Features administered by the Children's Bureau are the Maternal and Child Health Services, the Services for Crippled Children and Child Welfare Services. Throughout these services particular emphasis is placed upon the extension of activities to rural sections. Prompting this emphasis was the fact that in each year since 1929 rural areas have had a higher mortality rate than urban areas owing to the inadequacy of provision for prenatal care and obstetrical nursing services, together with the general lack of resources for dealing with dependent children.

BENJAMIN WERNE

On the Religious Horizon

MUCH interest was created by the recent opening of the temples in one Indian State to the untouchables. No one is to be barred because of race, caste, or previous condition of servitude. One of the prime reasons for this action was the danger of a wholesale desertion of Hinduism by these same "untouchables," many to Christianity. The sudden loss of fifty million adherents (more than 20% of the world Hindu population) would have been a terrific blow.

Mr. Gandhi, crusading against untouchability, has spoken as one of the oppressors and has done practically nothing to change the Hindu attitude toward the untouchables. Dr. Ambedkar, who during the last year has risen to prominence as the "true spokesman" of the untouchables, is one of them; he would lead them in a total revolt against all that Hinduism stands for.

Many meetings like the one on May 22 are being held, at which the pleadings of leaders of various religions are heard by Dr. Ambedkar and his followers, who refuse to be hurried into a decision. The outcome of these meetings and the result of the move toward bettering the condition of the untouchables by the Hindus themselves are not yet apparent.

The prospect that these outcasts in India will abandon Hinduism and join a new religious faith is such that a revival of missionary fervor is being experienced among the Moslems of Egypt. For this impending Mohammedan (Egyptian) mission to India, a great demand has arisen for teachers "who are well informed and able to set forth Islam in the light of modern ideas and modern experience." To date no word has been received of any plans for special "extra" work on the part of any Christian body in its Indian work.

Y.M.C.A. Conference

Mysore, South India, will be the site of the twenty-first World's Conference of Y.M.C.A.'s, (January 2–10, 1937). This will be the first World's Conference of Y.M.C.A.'s in Asia. Only 150 representatives from abroad will participate, and forty from India, Burma, and Ceylon. The World's Young Men's Christian Association is one of the oldest international Christian organizations working for unity of all Christian work among youth. A total of more than 1,600,000 young men hear the Christian message regularly in 9,893 local groups, served by 5,141 professional collaborators in 2,092 association homes. (America has 1,245 local groups, 3,579 professional collaborators, 807 association buildings, and 1,093,571 members.)

Religion Persists in Russia

To adapt themselves to new conditions, religious leaders in Russia have removed some of the traditional customs and instructions, or have suitably simplified them. Numerous rites are now carried on "from a distance," in the absence of the participants. For instance (according to the *Besboschnik*—"the Godless"—Moscow):

"In the village of Tawalschanka, in the Griansinsky department, the priest Archangelsky gives the Church's blessing on a marriage by having the ring sent to him without the parties to the marriage being present. Burial chants are sung in front of empty coffins over a handful of earth from the newly dug grave. The consecrated earth is then scattered before the coffin is lowered into the grave and there is no priest present."

In other parts of Russia, it is not the coffin which is brought to the priest, but some earth which is subsequently put into the coffin. In the district of Bogutscharsk bits of the departed's clothing are sent to the priest. After their consecration, the relatives receive a written slip of paper which is placed in the coffin under the head of the departed, the contents being regarded by the faithful as extremely secret.

Traveling groups of several priests and a small choir go about the country holding "solemn" church services which are attended, not only by the faithful, but also by many of

the curious. If priests cannot be in the various places on the same day, religious festivals are put off until another date.

The religious instinct dies hard (if at all) in the Russian people. It persists, despite the activities of the "League of the Fighting Godless." It has ever been the history of religion (of the Christian religion, at any rate) that periods of persecution and religious suppression have led to renewals of faith and have given an impetus to the spread of the Gospel. History seems to be repeating itself in Russia.

Church Unity

Another step toward Church unity is apparently "just around the corner." With more than half the conferences of the Methodist Episcopal Church and the Methodist Protestant Church reporting favorably so far, it seems certain that the proposed plan to unify the Methodist Churches in this country will be adopted. The conferences of the Methodist Episcopal Church, South, will not vote until 1938. Only 46 of the 4,000 laymen, and 204 of the 6,000 ministers, voting so far have been opposed. Having settled its internecine differences, Methodism will be so much better prepared to consider union with other Christian bodies.

Religion in Ethiopia

One reads of the political changes which have taken place in Abyssinia and the question arises in many minds as to the religious fate of the Ethiopians, including the Coptic Christians. Prelates of the Sacred Congregation are studying far-reaching plans for collaboration between the Holy See and the Fascist regime. One principle to be followed is that the twelve apostolic vicariates to be established will be in the sole charge of Italian priests. Non-Italian missionary priests in Abyssinia will be transferred to other countries.

Marshal Graziani at Addis Ababa on July 15 promised religious toleration, the Coptic religion not suffering any diminution of status. Although the Italian High Command has increased the native army in Abyssinia, until the new force numbers about 100,000 men, this is the largest homogeneous native force in Africa. No evidence is forthcoming that Marshal Graziani's promise has not been kept. The probability is that the Abyssinians will now have the benefit of real religious instruction, and all parts of the territory will have the ministrations of the Church, Coptic or Roman Catholic.

Trend Away from Religion

On the whole, the general world-wide trend during the year 1936 has been anti-religious. The real atheism of the Fighting Godless in Russia has become increasingly apparent. Anti-Semitism in Germany has not obscured from observing eyes the fact that this is but one manifestation of the Nazi anti-God attitude. Protestant and Roman Catholic Christians, as well as the Jews of Germany, have felt the pinch of suppression. The revolution in Spain has given unnumbered evidences of the opposition of both the fascistic rebels and the so-called Communistic Government which they are trying to overthrow. Mexico continues with its stringent anti-Church program.

Few people realize to what extent this falling away from the churches has effected the United States. A writer in *The Christian Observer* says: "If you were to make a house-to-house canvass of your community, you would perhaps discover that the great majority of the children of your own community were not in Sunday School."

There is certainly a challenge to the forces of organized religion in the following figures, which are taken from the *Missionary Review of The World:* nineteen out of every twenty Jewish children under twenty-five years of age are not enrolled in any Jewish school; three out of every four Roman Catholics of the same age are not in any Catholic school; and two out of every three Protestants of the same age are not in any Sunday School. To be more explicit:

"There are in the United States 8,676,000 Catholic youth under twenty-five years of age, and of this number only 1,870,000 are enrolled in any parochial or other religious school under the auspices of the Catholic Church; 78.4 percent of the youth of the Catholic Church are not being reached by the Church. There are in the United States 1,630,000 Jewish children under twenty-five years of age. Of these, 1,543,000 are not enrolled in any Jewish synagogue or other educational agency under the auspices of the Jewish Church; 95.2 percent of Jewish youth are not being reached by their church. Protestant children of this same age number 42,891,000. (This includes those who are only nominally Protes-

tant, in that they are not Jew or Catholic.) Of this number 28,529,950, or 66.5 percent, are not enrolled in any Sunday School."

The effectiveness of the Churches where they are at work, however, is very encouraging. From an experience of eighteen years on the bench Supreme Court Justice Lewis L. Fawcett, of Brooklyn said recently: "Of 5,000 boys less than twenty-one years old who have been arraigned before me, only three were members of a Sunday school at the time of committing their crime. Of 1,092 boys who were sentenced to go to Sunday school and bring a written attendance report from the minister, only ninety-two ever appeared in court again; out of 1,092 boys, 1,000 were cured by the Sunday school treatment."

Japan has held a prominent position in the attention of religious leaders during the year. Dr. Kagawa, who made so tremendous an impression on his American audiences, states that Christianity is on the increase in Japan. He cites the doubling of the Christian community in the last ten years, the phenomenal growth of the demand for Christian literature, the conversion of leading Government officials, including members of the nobility, and the fact that the indigenous religions are being increasingly influenced by Christianity. An example of this influence is the adoption of Christian hymns by the Buddhists, who also frequently use the Bible and are introducing the Cross into some of their temples.

REV. WILLIAM BRUCE SHARP

Chinese Tolerance

IT IS interesting to us Chinese, of course, to note the mentality of Westerners who industriously persist in regarding our rather ancient race as what may be described as "Gospel fodder" for the propagation of the peculiar religious beliefs held by this or that group of sectaries in England, the United States, and elsewhere.

We Chinese believe, rightly or wrongly, that we are a tolerant people in this matter of religions in spite of the undeniable fact that our history during the past hundred years of the violent impact of Western civilization upon our own, is strewn with all too numerous deplorable examples of outrages and murders of missionaries dwelling in our land.

We do not attempt to condone these unhappy manifestations of active hostility toward strangers who, according to their lights, are determined to do good to us in spite of ourselves and what we may happen to think about the matter.

But we often wonder what the reactions of the British peasantry, working classes, and upper classes would have been, if, during the past hundred years the villages, towns, and countryside of the United Kingdom had been occupied by a host of Chinese male and female religious zealots preaching and teaching strange doctrines to the indigenous population of those places, that were utterly subversive and opposed to their own customs, traditions, and beliefs.

If we Chinese had large organizations for shipping religion-struck young Chinese men and women to England to convey what we might call our "gospels", as we considered, to the benighted inhabitants of that country, would we not be somewhat presumptuous in our assumption that we were the repositories of Divine wisdom, and that somehow or other Providence had overlooked the people of England, and their reputed needs for eternal salvation?

But, as we have ventured to assert, being a tolerant people, the Chinese do nothing of the sort and are not the least concerned in the spiritual beliefs of others, which they do not consider to be in any way their business.

—*China Outlook*, October 1936

SPAIN: Hands across the border.

PEACE

on

EARTH...

"I hold out a great olive branch to the world. This olive branch springs from an immense forest of eight million bayonets, well-sharpened and thrust from intrepid young hearts."

AS THE year of grace 1936 passes into the limbo of history, its little band of mourners will perhaps be able to find for it no better epitaph than these words from Benito Mussolini's Bologna speech of October 24. Coming from the lips of a leading advocate of the philosophy which so dominated events, they reflect the spirit of the year, with its braggadocio and its fear, its professions of peace and its preparations for war.

Echoing through the world we hear the same sentiments. In Germany Dr. Goebbels proclaims, "We took precautions on the principle that the League of Nations is good, but air squadrons and army corps are still better." And, again, a Nazi organ tells us that: "A truly new spirit prevails in Germany; even the ash-cans in our cities stand at attention."

Returning to Italy, we read in the Fascist party directory the order that all between the ages of 21 and 55 should demand the honor of joining the militia, "thus confirming the inexhaustible warlike spirit of the Blackshirts and the character of the Roman peace." In Spain, General Mola watches his Moors ravage the countryside and says, "I do not like war, but that does not prevent me from realizing that it is in war that a people's soul is forged."

The pontifical London *Times* declares that England's "final contribution to organized peace is the speediest possible completion of our defense arrangements." Even the pacific voice of Premier Blum of France joins in the chorus: "I say that France is materially stronger. She still possesses—and it is the truth—the most powerful military force in Continental Europe, except for Russia." At Chautauqua, President Roosevelt says, "I hate war"; but Congress had passed the largest arms appropriation since 1918.

There will be remembered, too, the still, small voice of Haile Selassie, as the Powers were scuppering the League in July—"God and history will remember your judgment." But Ethiopia—1936's reproachful conscience—is buried with the year, and the hell broth bubbles furiously. Armaments are heaped on armaments, to the cost and perhaps the eventual destruction of all save the arms makers. Following is the record.

ARMS AND THE TAXPAYER

In 1925, in the days of Locarno, of Briand and Stresemann and Arthur Henderson, of conciliatory methods and expanding trade, the world spent 3,500 million gold dollars upon the instruments of national defense. By 1930 the depression had set in, and the annual amount leaped significantly to 4,300 millions. Hitler came into power in 1933, and the 1934 expenditure upon armaments was 4,900 millions. In 1935, there was an ominous increase to 5,400 millions, while the estimate for 1936 has been placed at 7,500 million gold dollars —more than double the 1925 figure.

Contrast these figures with the expenditures included under the League of Nations budget for 1935—amounting to 26,830,219 gold francs.

Great Britain Hurries

Hastening to catch up with the armaments of her continental rivals, Great Britain introduced on April 21 a budget calling for an expenditure during 1936-7 of £139,605,000 on the Army, Navy, and Air Force—an increase of £54 millions over the 1935-6 defense appropriations. Over £20 millions was appropriated as supplementary estimates for the fighting services, bringing the total arms expenditure up to £160,700,000. This figure stacks up with £224 millions for the interest and management of the national debt, £162,725,000 for Health, Labor, and Insurance, and £45 millions for war and civil pensions (the former paying off the last war).

France and Her Allies

The French budgetary estimates for the year 1936 called for the expenditure upon national defense of 7,180 million francs out of a total of 40,307 million francs. During the year, the remilitarization of the Rhineland and the increased period of compulsory service in the German Army conspired to redouble France's efforts to secure her frontiers.

As an immediate consequence of the second, M. Daladier, the Minister of War, launched a program for the expenditure of 14,000 million francs over a period of four years; 4,200 millions of this were to be spent in 1937.

On October 27, the Cabinet approved of a further plan for the appropriation of the unprecedented figure of 5,000 million francs for the strengthening of the air force.

The budget for 1937, divided into ordinary and emergency expenditures, calls for an expenditure of 48,000 million francs under the first head, and of the appropriation under the second, 9,500 millions are to be devoted to defense. This does not, however, end the story; there are special defense funds, covered by specific bond issues, for the largest of which, the *Fonds d'Armement d'Outillage*, 6,265 million francs was authorized on March 20, following the remilitarization of the Rhineland.

Nor have France's expenses ended with her own defense. On September 7, she granted a credit of 2 billion francs, half for armaments, to Poland, a nation already spending over a third of its budgetary income on self-defense.

Coming to the Little Entente, we find the Czechoslovakian national defense loan, for frontier fortifications, subscribed up to the amount of 4,000 million crowns by the end of August, with the failure of the League and an arrogant Germany as its chief selling points. The regular budget appropriated 1,675 million crowns for military expenditures, out of a total of 8,455 millions. Jugoslavian estimates for 1936-7 allowed the fighting services 2,309 million dinars (an increase of 310 million over the 1935-6 figure) out of a total of 10,307. Rumania allotted 7,512 million leu to defense, an increase of 10% over the 1935-6 estimate.

Belgium, anxious to defend her newly-asserted neutrality, is determining to spend, in the year 1936-7, 1,359 million francs on defenses, out of a total budget of 10,566 millions. In February, the Netherlands set up a special defense fund to spend 53 million florins over four years; the 1936 budget called for a 75.8 million expenditure upon arms out of a total of 803 millions—proportionately one of the lowest expenditures in Europe. By October 16, the peace-loving Swiss had oversubscribed the National Defense Loan, calling for 235 million francs, by 95 million.

Russia, the most powerful of the French group, possessed of the largest army in Europe, started off the year with a 78,500 million rouble budget, of which 14,800 was to be devoted to defensive preparations in comparison with a 1935 arms budget of 8,200 millions.

***BURIED TALENTS:** What some powers are spending in the financial year 1936 or 1936–7 upon arms and men. Here are approximate dollar equivalents of these expenditures, together with the proportions they represent of the total budgets. These figures exclude extra-budgetary defense funds.*

Dictators' Debts

Dictators are chary of giving much information concerning the financing of their armaments. Italy had a heavy bill to foot for the Ethiopian campaign, and the 1934–5 books closed in May with a deficit of 2.030 million lire, of which 975 million was admittedly attributed to the war. Estimates for 1936–7 included 4.665 million lire for the armed forces (excluding unpublished extraordinary expenditures in East Africa), out of a 22.045 million lire budget.

Utter secrecy shrouds the German budget, and the extent of her expenditures can only be roughly gauged. On March 10, Mr. Winston Churchill, speaking in the British House of Commons, placed the German expenditure on armaments since 1933 at 7,500 million dollars. A decidedly French estimate was advanced by "Pertinax," writing in the *Echo de Paris* of May 26, suggesting that Germany had spent the equivalent of 6,050 millions during the year past. A semi-official British estimate, suggested by a military expert in *The Observer* of November 15, is that Germany has spent 4,000 millions a year for the last two years. This may be a happy mean between Mr. Churchill and "Pertinax."

THE DOGS

Little Entente

The territory of at least two members of the Entente, Rumania and Czechoslovakia, is of greater importance than the inherent or actual military strength of the peoples. However, by virtue of drastic compulsory service Rumania maintains 150,000 trained men of dubious value, while Czechoslovakia possesses 200,000 soldiers of first class merit. But even combined they would be little more than a straw tossed in front of the Soviet and German juggernauts.

Yugoslavia, somewhat off the line of march, supports a well-trained and equipped army of 125,000 men, expansible to approximately 500,000 after the order of mobilization. In the air Yugoslavia is more adequately armed with 800 planes, 500 of which are first line.

France

The French plead poverty of arms and of men: they emphasize peace. But they prepare to defend themselves and their possessions against aggression from the East. German vitality has been and will continue to be the *raison d'être* of French arms.

As in the past, Government conscription embraces every French male. From the day of his official majority the Frenchman is liable for 28 years of service, proportioned in one year of active service; three years of immediate availability; sixteen years first line reserve; and eight years second line reserve.

Numerically the French army compares favorably with its potential antagonist. At home 450,000 trained troops comprise a dependable nucleus, while in the colonies are 215,000 troops, predominantly native though staffed with French officers and sprinkled liberally with seasoned French soldiery. But in this division of strength lies France's weakness. Without her colonials complete mobilization is impossible.

To make possible an effective juncture with the colonies at any time France maintains an adaptable and highly mobile navy manned by 60,000 men. The French maritime conception is one of primary speed combined with the greatest defensive power. Cruisers, destroyers, and submarines, all defensive to a high

OF WAR

degree, compose over half the total tonnage in active service. Tonnage in commission to date, including 9 capital ships, 1 aircraft carrier, 14 cruisers, 60 destroyers, and 72 submarines, totals 502,000. Building or near completion are 202,000 tons including 4 new capital ships, 5 cruisers, 20 destroyers, and 17 submarines.

In the air France possesses a hodge-podge though first class equipment. With a personnel of 45,000 men the French have approximately 18,000 first line planes, 600 second line planes and 700 instruction units, and other miscellany.

Germany

German arms are variously estimated, by foreign ministers, chauvinists, scare-mongers and the Germans themselves, at from 550,000 to 8,000,000 men. Neither maximum nor minimum figure is correct. Military men, aware that military staff work cannot be perfected in a few short years, estimate the German arms more conservatively, and with an eye to the elasticity of a trained nucleus to absorb troops in the crisis of mobilization.

Compulsory service and its corollary, liability for service, begins at eighteen and extends to the male German's forty-fifth year. By a decree of August 24, 1936, conscriptive service was increased from one to two years, a move which military experts estimated would bring the classes of 1914 and 1915 numbering some 1,000,000 youngsters into the army which already boasts 300,000 trained professional troops.

But to gauge the potential German manpower it is necessary to add to this astonishing total of 1,300,000 soldiers the Nazi semi-military organizations. In the Blackshirt Guards 200,000 men (30,000 in barracks); Brownshirt Storm Troops 100,000; Motorized Corps 100,000; Military-Trained Labor Corps 275,000. Total 675,000. How many of these men can be successfully mobilized, placed in action fully equipped, and sustained, even the German high command does not know.

Although the dream that inspired the High Seas Fleet has evaporated, Hitler and his men build battle fleets for a colonial expan-

COMPARISON OF
AIRCRAFT
EACH SYMBOL EQUALS 500 PLANES

Country	Planes
SOVIET UNION	4000
GREAT BRITAIN	3500
FRANCE	3100
GERMANY	3000
ITALY	3000
UNITED STATES	1500
JAPAN	1000
RUMANIA	800
YUGO-SLAVIA	800
CZECHOSLOVAKIA	700
CHINA	350
BELGIUM	200
GREECE	120

sion hardly less ambitious. Even today Germany boasts maritime armament of cunning construction and power. In active service she possesses 7 battleships, 1 aircraft carrier, 6 cruisers, 19 destroyers, and 30 submarines, totaling some 180,000 tons, and manned by approximately 40,000 trained sailors and cadets. Now building or nearly completed are 2 battleships, 3 cruisers, 17 submarines and 16 destroyers, totaling over 100,000 tons and requiring some 20,000 additional seamen and technical personnel.

In the air Germany's real strength is a profound mystery. The most conservative estimates grudgingly admit the German air force might reach 3,000 planes with, at least, one-half of them first line fighting ships. Less conservative observers report 4,000 planes manned by 40,000 men, and operating from 300 airports constructed both above and below ground, and concentrated on the Eastern borders of Germany within striking distance of Moscow, Leningrad, and Warsaw. But illusory hysteria infects these and similar estimates. In conclusion it may be stated that if Germany is today second-rate in the air, German pride and mechanical ingenuity will permit her nothing less than top-flight on the morrow. Reports are current that she now is producing 300 planes a month.

Great Britain

England, presently in the throes of rearmament, is a mercurial quantity. Add to this the complicated and highly elastic categories of the British armed forces, and it becomes even more difficult to gauge accurately Britain's strength not so much as of today, but of tomorrow.

Without benefit of conscription Britain's standing army numbers 144,000 regimental troops at home, 3,000 colonial and native troops, 122,000 army reserve, 26,000 supplementary reserve, 1,200 militia (now stationed at Malta and Bermuda), 185,000 territorials, and 58,000 regimentals in India, totaling some 540,000 trained and equipped soldiers.

Until that day, when-and-if, aircraft proves conclusively the obsolescence of capital ships, Britain will remain top-dog along the sea routes of her empire. Manned by some 90,000 seamen Britain has in active service, 15 capital ships, 6 aircraft carriers, 48 cruisers, 163 flotilla leaders and destroyers, and 52 submarines, totaling 1,161,000 tons. At present building or near completion are an additional 105,000 tons composing 1 capital ship, 8 cruisers, 2 flotilla leaders, 8 destroyers, and 5 submarines.

Alarmed by the technical and numerical advances in German aircraft, Britain struggles to produce a force of 129 squadrons (1,750 planes) of first line fighting caliber, a number considered adequate for minimum security. Unofficial sources estimate Britain's present air strength at 3,500 craft, 1,500 of which are first line, 1,000 serviceable second line reserve, and 500 third line reserve employable for training and reconnaissance units. Air force personnel will approach 45,000 during 1937.

Italy

In certain moods the Duce estimates his Fascist legions at 8,000,000 bayonets. This figure is undoubtedly the child of pop-eyed hysteria, although it has proven of incalculable scare-value. By virtue of an 18 months' compulsory service for male citizens from the age of 21 to 55, and a maze of minor semi-military organizations which in some instances seriously reduce the nursing period of many babes, Mussolini has managed to whip up a tremendous mob under arms. Conservative militarists taking cognizance of the 37 classes of Italian reservists estimate immediate effectives in an emergency of mobilization at 1,250,000 men, 750,000 of which are already permanently under arms.

At sea, Italy boasts a respectable fleet supported by a formidable submarine force which many cool British heads admit might make the Mediterranean a Mare Nostrum in fact. With 4 capital ships, 1 aircraft carrier, 23 cruisers, 103 destroyers and torpedo boats, and 62 submarines, Italy possesses 416,500 tons in commission. In the process of building or nearly completed are an additional 115,000 tons including 2 capital ships, 2 cruisers, 15 destroyers, and 16 submarines. Naval personnel approaches 60,000 effectives, seamen and technical men.

A preview of Italy's air strength, amply provided in the Ethiopian campaign chilled her potential antagonists to the very bone. With a well trained personnel and the best first line equipment in the world, Italy's airforce, undoubtedly, holds a premier position at the present time. Estimates vary as to the exact number of effective planes, al-

though opinion is unanimous that they are in sufficient numbers to dominate in the air, at least, any other single European power. Conservative appraisals tend to give Italy approximately 2,000 first line ships, 1,000 first line reserves, and some 600 training ships and other miscellany, manned by approximately 50,000 trained men.

Soviet Union

Soviet man-power is tremendous; Soviet equipment is inadequate. Such a statement defines with some accuracy the Soviet's position in this world of arms. Incredible rumors have come out of the Soviet as to the power of their mechanized divisions; some of which have a basis in fact. Reliable estimates place the standing army at well over 1,300,000 with a good number of divisions highly mechanized. But just how many of these men could be maintained effectively in action is a moot question. Unfortunately the fervid partisans, within the Soviet, isolated from the outside world, exaggerate the power of their arms. They do not comprehend the strength of their antagonists; they belittle the power of the German military tradition.

Since all citizens are liable for the defense of the country, and Red Army men are numbered among the Soviet elite, enlisting a military personnel is no problem. Plans formulated within the past year call for a fully equipped force of 1,600,000 specialized soldiers by 1940. Such an army would make war with the Soviets impossible; none would dare challenge her.

As a naval power the Soviets are somewhat less than formidable. Except for some 70 submarines of a very high nuisance value, the Soviet Navy is not an offensive factor. It comprises 4 battleships of dubious value, 7 cruisers, some of which have been modernized, but all of which are over age, 35 destroyers, and approximately 70 excellent submarines, totaling in all some 200,000 tons, and manned by 55,000 men.

In the air the Soviets are admittedly strong. Conservative figures give them 4,000 planes, 2,000 of which are definitely first line craft, 1,000 first line reserve, and 1,000 second line reserve with a number of additional miscel-

laneous training ships. In moments of passion they estimate their own force at some 7,000 effective units.

China

Until recently Chinese war lords marched and counter-marched tremendous armies across the face of the ancient land! and a war lord was insignificant without 500,000 troops, composing some 50,000 regulars with nine times that number of irregulars. However, Chiang Kai-shek has changed all that by achieving a semblance of national unity. Provincial armies have been reorganized and incorporated into the National Nanking forces which, although still in flux, boast approximately 500,000 trained and seasoned troops with 1,000,000 more who, with intensive training and adequate equipment, could be placed in the field within six months of mobilization. Beyond that it is supposed that the able bodied Chinese, armed only with firecrackers, could, if they were of that mind, crush a foe by weight of numbers.

In China, enlistment is mandatory at eighteen, although attractive to the average peasant lad who, at best, must face a meager life. Following a service of two years, the Chinese conscript becomes first line reserve for three years with one month training a year, then second line reserve with one month training every two years, and then complete discharge from military liability.

For the past five years China has been air-minded and is, today, hard at work building an air force. It is estimated that she has 250 first line fighting ships, with some 100 more in a first line reserve, plus another 100 ships in the hands of irregular troops.

Japan

Japanese armed forces are easy to estimate, far easier to estimate than to value. Peacetime numbers are estimated at approximately 300,000 daily effectives with 16,000 officers, expansible within a year of mobilization to some 2,500,000 men and 75,000 officers drawing from a reservoir of a total male population (seventeen to forty) numbering 6,500,000. Despite the loose talk concerning its terrible effectiveness this Japanese army, trained on the German model, is inadequately mechanized, and flimsily supplemented with civilian manufacture.

However, army morale is very high due to a thorough training beginning at the age of six with songs and marching, and continuing to the age of seventeen when 110,000 of the supremely fit are annually called up for active service, remaining for two years at ninety cents a month. From service they pass to the reserve for five years and a third, thence to the second line reserve for ten years, and thence to the home defense for two years and two-thirds to complete twenty years of military servitude.

Japanese sea power is much discussed, both in contempt and admiration. Unlike the Japanese who glorify the victory over Russia, the Western world still views the destruction of the Czar's fleet as of relative insignificance. And, in fact, despite her numerical strength and potential power, Japan has still to prove herself on the high seas. In size her fleet is formidable with 10 capital ships, 4 aircraft carriers, 41 cruisers, 108 destroyers and 10 submarines, totaling some 850,000 tons manned by 90,000 trained seamen. Building or near completion are 79,000 tons composing 2 additional aircraft carriers, 3 cruisers, 20 destroyers, and 6 submarines.

In the air, if not comparable to the Western nations, Japan is nevertheless dominant in the Far East. Possessing 1,000 first line fighting ships and 300 miscellaneous reserves the Japanese are prepared for an emergency with either the Soviets or the Chinese, or both.

United States

Americans pride themselves in the sanity of their military conceptions; they view with alarm the warlike preparations of other nations, and conveniently ignore the staggering sums they contribute to world armaments. Although the standing army of voluntary enlistment is numerically small it nevertheless absorbs sufficient moneys to maintain a basis comparable to Europe's best.

By 1937 it is proposed to increase the standing army from 140,000 to 165,000 men, which, when combined with a National Guard of 185,000 and a first line reserve of 115,000, will present an immediate potential of 465,000 trained effectives.

On the high seas American armament is not an object of disparagement with even the most belligerent power. Easily massed in either the Atlantic or the Pacific Ocean it presents,

on a par with Britain, one of the most powerful maritime fronts in the world.

Actively commissioned are 15 capital ships, 4 aircraft carriers, 25 cruisers, 199 destroyers, and 88 submarines totaling 1,073,000 tons, manned by approximately 90,000 men. Building or nearing completion are 273,000 additional and replacement tonnage for over-age vessels.

For service in the air the United States possesses some 1,500 first line fighting craft, one third of which are under the naval forces.

BEHIND THE LINES

This conspectus of gargantuan sums dragged from the depleted pockets of bewildered taxpayers and the mighty armed forces to which they have been devoted would not be complete without some answer to the question, who wins?

There is always one party to profit from the misfortunes of others, and in this case it is the manufacturers who possess the means of supplying what is, next to food, the world's most demanded commodity—the instruments of self-defense. Thus, while the world trade in all commodities dropped more than 65% between 1929 and 1935, world arms and munitions exports fell by only 39%. For the one peculiar and distinguishing feature of the armaments business is that the more intense the competition, the better the business; the more arms one nation is sold, the more its neighbor has to have.

It would not be strictly accurate to state the disposition of the great arms firms is a safe index to the productive assets of the several nations. For, as has been abundantly proved, the arms business is international in its ramifications; feeding upon inflamed nationalisms, it still preserves an international detachment which transcends all petty loyalties and which is good business. Nevertheless, whatever the international aspects of these firms, even in times of war, they tend to align themselves with one belligerent or the other, and their present affiliations give some idea of their probable loyalty.

Nor can it be dogmatically asserted that the concerns in question constitute the whole of the armaments business or that they are exclusively devoted to it. In the United States, the Du Ponts claim that arms account for only two percent of their total business, although they are substantially the largest suppliers of fighting supplies in the country. By the same token, there is a difference of degree rather than kind between industries which are categorized as armaments firms during peace time and those which would inevitably become such in any mobilization for war. However, a survey of the better-known organizations provides an insight into and a measure of the skeletal organization, upon which war-time production must be based.

Vickers' Chainstore

Chief purveyor of arms to the British Government is the Vickers-Armstrong Company and its range of affiliates. In England, there is Vickers-Armstrong, the English Steel Corporation, Metropolitan-Cammel, and Vickers (Aviation), Limited. There is Vickers-Ireland, a Vickers Corporation in Canada, and Vickers, Limited, in New Zealand. Nor is this giant octopus confined to the British Empire. In Italy, Vickers-Terni supplies Mussolini. It has interests in Sociedad Espanola de Construccion Naval and Placencia de las Armas in Spain. Again, Vickers is interested in four Dutch firms, two of which were moved across the German border by Krupp after the Treaty of Versailles; more important is the Vickers connection with Fokker, the airplane factory which is a subsidiary of the Berlin firm of Pintsch. With the Schneider-Creusot outfit Vickers has a common interest in the Rumanian Usines Metallurgiques de Resita and Copsa-Mien and the Polish Société de Matériel de Guerre. In the Vickers treasury, too, can be found stocks in Brown-Boveri of Switzerland.

New firms have been called into participation in the seven-unit "shadow scheme" for the manufacture of aircraft, while industry is being organized for conversion to war production at the shortest possible notice. For a reserve source of supplies, the Government has arranged with a number of firms, not normally producing war materials but suitable for the purpose owing to their training and their skilled staffs, to lay down the necessary plant, a certain quota of peace-time orders being guaranteed to justify the outlay. Sir Thomas Inskip has been appointed to the newly-created post of Minister for Coordination of Defense; a new office, that of Director General of Munitions, has also been instituted.

These are some of the reasons why Great

ARMAMENT CENTERS: In the insert are Japan's production centers Osaka and Tokyo (1 & 2). Traveling East, 3, 4, & 5 are the Boeing, Douglas, and Curtis aircraft works; 7 the small arms trade; 8 Bethlehem Steel, 9 the center of the Du Pont empire. In Canada, 6 is a branch of the Vickers chain (see opposite).

Britain, in addition to rearming herself, has gained first place as an exporter of arms, accounting for 25% of the world's trade.

Schneider-Creusot

Of the great private arms empires within empires, France has enjoyed the largest, with the Comité des Forges a name to conjure with in the armaments world. No iron-bound combination, this association lays down the strategy for 250 dues-paying members of the French iron and steel industry, of which 150 are direct manufacturers of armaments. In a normal year these firms account for a production of 10 million tons of pig-iron and 9.5 million tons of steel; today the figure is substantially higher.

Hitherto a powerful force in French politics the Comité owns *Le Temps*, has a majority interest in the *Journal des Debats*, as well as a voice in the running of *Le Matin* and *L'Echo de Paris*, not to mention affiliations with the Bank of France and the Chamber of Deputies, effected through its heads, the de Wendels (or von Wendel for purposes of German trade), who are leaders of the famous "200 Families."

The most powerful unit of the Comité is the Schneider-Creusot works, which itself controls 182 French companies producing military supplies through the Union Européenne Industriale et Financière which it founded in 1920 with a capital of 140 million francs.

Schneider-Creusot's power does not stop at the French border; far from it. Through the Union Européenne it controls 230 armament and allied enterprises outside France. By far the most important of these is the Skoda works in Czechoslovakia, largely thanks to the activities of which Czechoslovakia exports nearly one quarter of the world's total arms trade. In this firm, which has shown partiality alike to Hitler and the French, the Union Européenne owns 56% of the stock.

These concerns furnish France's sinews of war. Today they have been nationalized by the Popular Front Government, but their factories remain and their chimneys belch smoke. Apart from the domestic political significance of nationalization, it is relevant to note here that the move was calculated to ensure a greater loyalty to the nation on whose soil they are planted and also, as M. Pierre Cot has revealed in an interview with the *Manchester*

EUROPE'S CHAINSTORES: Vickers' interests run from 1 to 8, through Ireland, Italy, Spain, Holland, Rumania, Poland, Switzerland. Schneider-Creusot and Skoda are 9 and 10; 11 the home of Krupp's. In Russia, Leningrad and Moscow (12 & 13) are being supplemented by new works secluded in the Urals (14).

Guardian, in order to guarantee a greater efficiency.

In Russia, the state turns out arms in Kiev, Leningrad, and Dnieperstroy. But, owing to the proximity to the border of these industries, new plants are now being erected in the seclusion of the Urals.

Krupp Booming

The famous Krupp works in Germany, which employed 80,000 men in early 1914 in preparation for the last war and which was shut down by the Treaty of Versailles, had 100,000 men punching the clock by the end of 1936. Then there are Thyssen's works and Krupp's potent Swedish subsidiary, Bofors, to be taken into account.

Italy possesses Vickers-Terni, Ansaldo. Japan, which in 1930 supplied 37.5% of the arms used by China, has its Mitsui.

In the United States, the Du Ponts own and operate 60 plants in 22 States; these produce chemicals, paints, "cellophane," and so forth, but they are incomparably the largest powder makers. Second to them in the business of arms manufacture is the Bethlehem Steel. In the Connecticut valley there are such small arms manufacturers as Remington, Colt, and Savage, while on the Pacific Coast are the large aircraft makers—Douglas, Boeing, Curtis.

Materials and Industry

But armaments and the major arms firms do not exhaust the story of preparation for war. There are the further questions of the reserve industries which have to be mobilized, sources of raw materials and food to be assured. The latter and vital consideration lies behind the German demand for colonies, Britain's insistence upon the maintenance of the "all-red" route to the Far East, Mussolini's African venture and quest for dominance of the Mediterranean, Japan's determination in her request for a "special position" in North China. It has been demonstrated that colonies are, economically, a liability rather than an asset. But this is to miss the objective of the scramble for them, which essentially seeks the guarantee of access to raw materials, no matter at what cost.

Great Britain has skilled labor and an efficient industrial plant which, as has been described, is being adapted to the purposes of war. She possesses 20% of the world's

supply of coal. But, if left to rely upon her own limited resources, she would be an inconsiderable factor in any conflict. Hence the efforts apparent throughout 1936 to keep control of the routes to Iran and Iraq, which supply much-needed petroleum, to Egypt, which together with the United States supplies cotton she requires for explosives or clothing, and to keep in touch with Malaya, whence comes her rubber. Foodstuffs, too, have to be brought from the various parts of her empire: in time of war a strong British navy is needed to guarantee her access to the most self-sufficient political empire in the world.

France's Resources

France enjoys the Lorraine resources, but otherwise she lacks most of the minerals vital for war, and her iron and steel production is less than half that of Germany. For this reason, she is largely dependent upon Great Britain in the event of war, and her policy cannot diverge from that country. Her strength, however, lies in the fact that, as a result of agricultural tariffs, the height of which has been in direct proportion to her fear of war, she is virtually self-contained as far as foodstuffs are concerned.

Russia's resources are as yet untested and largely untapped, but they are potentially the greatest in Europe, for she has adequate supplies of coal and iron, cotton and petroleum. She is already second to Germany in steel production, and the other branches of her industry are undergoing a period of forced growth to fit them for all emergencies.

Germany's Needs

When we come to Germany, we find the most advanced and efficient industrial equipment in Europe being pushed to the uttermost in the production of goods for war. Her steel production leads Europe; her pig-iron output is second to the U. S. S. R.; her chemical industry ranks next to that of the U. S. A., and her motor vehicle industry is the world's third largest.

But iron, petroleum, and cotton she lacks. She casts jealous eyes upon the Lorraine, from which she now purchases supplies, but upon these she could not rely in time of war. The past year has seen an intensification of her urgent search for substitute materials; clothing is being made from trees, synthetic rubber is being produced, and motor fuel is being derived from peat. Foodstuffs she lacks as well.

It is in the light of these facts that Hitler envies Russia with her Urals, that General Goering, who heads the four-year plan is bending every effort to ensure that Germany will not suffer from a blockade as she did during the last war, and that Dr. Schacht has been concluding expensive economic agreements with food-surplus-producing countries of the Danube Basin.

Italy is in an even more tenuous condition. Her native industry does not stack up with that of the other nations; she ranks after the first ten in steel and iron production. She lacks all mineral resources, and having learned a bitter lesson from sanctions, is striving to develop her own fuel supplies. The "battle of wheat" she has fairly won, but for meat and fish she is still reliant upon foreign sources.

How to Pay

We have still to consider one more factor in the vicious spiral of war preparation. That is, how do the various nations anticipate paying for the next war? The first answer is, in gold, the most widely acceptable means of payment. It was the fear that her gold supply was going to fall below the 50 billion francs considered to be the irreducible minimum for her "war chest" that was one strong inducement to France to devalue her currency. Similar considerations have applied to other nations.

Here are the war chests as distributed at present: The United States is far in the van with holdings amounting to $10,648,000,000; France is second with some $3,640,000,000; Great Britain is next with $1,977,000,000. Russia has $744,000,000. Japan holds $437,000,000; Italy is estimated to possess $270,000,000, while Germany is in the weakest spot with a mere $29,000,000. As far as production is concerned, the United States, Canada, Russia and South Africa lead the way with annual outputs of over $100,000,000.

These figures indicate to what extent the various nations may be able to pay *cash* for their needs. But there are available to them all the tricks in the financier's war-time bag—taxes, loans, outright seizure, and the miracles of *inflation*. Lack of money has never stopped anyone from going to war.

FORESTALLING INFLATION

BANKING REFORMS TO MAKE PROSPERITY STAY

By Joseph E. Goodbar

IN ENGLAND, Scotland, and Canada a process of natural evolution has weeded out many practices of inflation-promoting banking which have persisted in this country. Our banking law has tended narrowly to limit the field of action of our abler bankers, while encouraging thousands of untrained men to open banks on every promising corner or crossroad at their own will and pleasure, and thus to "take a chance" with the people's money.

While some of these new and untrained bankers developed skill and ability, the financial failure of more than fourteen thousand banks between 1919 and 1933, out of a total of some thirty thousand in existence at the beginning of that period, means that too many bankers were incompetent and that there were too many banks. Restrictions on the influence of able and experienced bankers and encouragement to the untrained and untried have impeded improvement in banking practices, while encouraging incompetence.

The term "incompetence", however, implies the existence of some commonly accepted standard of competency. One of the bewildering features of present-day American banking is the fact that the majority, perhaps, of these unsuccessful bankers complied in large part with the accepted standards of the day. Most of them were honest and industrious and observed the rules of banking established by law and by the consensus of banking opinion. Swept away by the tidal wave of liquidation, they feel entitled to regard themselves as casualties of catastrophe, rather than as its contributing causes. Clearly it is necessary to find dependable standards for sound banking before important progress can be made in curing the disease of inflation-promoting bank policies.

Dishonesty Not First Evil

The functional failure of our banking system apparently has been viewed rather persistently as due to a lack of honesty on the part of our bankers. Congress has held two prolonged post-mortems on the twilight of the banks and many new provisions have been added to the national banking law, most of which should be retained. A close study of these provisions, however, indicates that these new banking statutes have concerned themselves very largely with an attempt to safeguard the moral element of banking on the apparent assumption that honest banking is sound banking.

For example, elaborate provisions were enacted to abolish the investment affiliates (subsidiary corporations formed to deal in investments), so common in some of the larger cities prior to 1929. From the records of the hearings of the Congressional committees it appears that the major fault ascribed to these affiliates was that they interfered with the impartial judgment of bank officers when loans on securities were under consideration, because officers of the lending bank were likewise officers of the borrowing affiliate. This defect was indeed serious and in my opinion warranted the legislation against it. Nevertheless it is highly significant that those banks which had affiliates were, with comparatively few exceptions, sufficiently well managed to have survived the storm. Of the fourteen

thousand banks that became insolvent, only a few could blame their affiliates; few, indeed, had possessed even one. It therefore seems quite evident that the abolition of affiliates, though doubtless tending to improve the moral tone of banking, failed to reach the basic banking blunders.

Honesty, of course, is a necessary quality in good banking—but it is by no means the only requirement of sound banking. Dishonesty among bankers was, and is, deplorable—but prevention of dishonesty would not have prevented the depression.

Primitive vs. Modern Economy

Before the advent of the complicating inventions of money and of bank credit, mankind had already begun to practice thrift and to accumulate savings—funds above what he might need for day-to-day existence. Part of his time was spent in creating or capturing the goods required for nourishment and clothing. In terms of the modern economist these were "consumer goods." Another portion of his time was spent in providing himself with shelter, with weapons and tools, with shields, and perhaps with boats and nets for catching fish and game. In modern economic terminology, these were "capital goods"; they constituted savings.

Fundamentally this same distinction between the production and acquisition of "consumer goods" and of "capital goods" exists today. One portion of income goes for the things consumed in our daily life. The remaining portion is savings, and should flow into the construction of fixed property and machinery of production. The physical goods representing our savings are properly "capital goods." Those representing income expended on daily consumption are "consumer goods."

With the invention of money and later of banking it became possible to divert the flow of money income from these channels established under primitive economy, and the possibility of financing inflationary activity came into existence. In the absence of money and bank credit, no profit could be realized from the production of more consumer goods than could be used, or from more capital goods than was needed. The ordinary manifestation of inflation consists in excess production, or unbalanced production, under the stimulus of profits arising from increased flow of bank credit. Without such increase in flow, excess production does not seem profitable.

Functions of Money

With the growth of organized human activities, however, it is obvious that the primitive device of trade and barter must have become increasingly burdensome. An expert fisherman wishing to acquire a boat would not always find it easy to find a boat-builder wanting enough fish to make an exchange desirable. This difficulty was overcome through the invention of money.

In addition to its function in providing a medium of exchange, and thus avoiding the difficulties of barter, money proved of very great importance in providing a standard for the measurement of values. Other important attributes may also be ascribed to money, but its most essential and valuable qualities appear to lie in these two functions. What does this imply? First let us consider money as a standard of value. Every value we know, in a material sense, is stated in some monetary unit—dollars, pounds, francs, lira. But while scientifically exact precautions are taken to assure surveyors, builders, and all persons concerned with weight, measure, or size, of an undeviating standard of measurement, money, to the contrary, has never possessed a very high degree of constancy in purchasing power, even when the monetary unit has been fixed in terms of gold or silver. It follows that since money is used as a standard of value in measuring commodities and services, rather than for measuring the precious metals, it would possess real constancy only if its purchasing power, as expressed in the things it is intended to measure, were, or could be, maintained at a uniform level.

The second important function of money

is its use as a medium of exchange. To fulfill this function perfectly, money must at all times represent something of value given in exchange for it. For example, I perform labor in exchange for $100, and later exchange that sum for clothing, food, and services. Those to whom I paid this money will themselves pass it on in exchange for such things as they desire. This, in fact, is the principal service or major function of money. Important as it is in serving as a standard for the measurement of value, that function is chiefly important because it facilitates the use of that monetary unit in its capacity as a means of exchange.

Improper Uses of Money

Let us now suppose that I print some money of my own—counterfeit money—and succeed in passing it off in the course of trade. Let us further suppose that the counterfeiting is so perfectly done that its nature is never discovered, and it continues to pass current in the purchase and sale of goods. In such case it performs the function of true money, acting as a medium of exchange after it has left my hands, even though originally counterfeit. Nevertheless it was fraudulent in the first instance, even though no one receiving it will ever suffer loss for that reason: I gave nothing of value to obtain the money, but secured its face value from society as a whole in services or goods. Even a conceivable validation of the issue by the Government later on, making it legal tender, would in no way alter the fact that I had succeeded in getting something for nothing, and had thus committed a fraud on organized society.

To the extent that perfectly lawful issues of money often have had the effect of creating a purchasing power in the hands of Government, or of individuals, through the use of which goods and services are obtained from the common supply without the recipient having given anything of value in return, such issues have distorted money from its proper use as a medium of exchange. Expanding the volume of money beyond the amount needed to take care of the long-term growth in population and in business means that the first to gain the use of this new money are empowered to obtain its face value from society as a whole in goods, property, or services, although they were not required to give anything to society in return.

In the days when money was purely metallic, it often happened that a new discovery of precious metals created a new purchasing power representing nothing of antecedent value. The chief value of such precious metals lies in the fact that by law or by custom they are treated as legal tender at so many grains per monetary unit. When, therefore, a new supply was found, the finders were able to use as money a metal that derived much of its purchasing power from law, and for which they gave no equivalent in services or other intrinsic values.

Nevertheless, the use of precious metals as money has many advantages. Such stability as money has possessed in its purchasing power, and such excellence as it has shown as a medium of exchange, have been due chiefly to the fact that the supply of the monetary metals has been limited in quantity. The scarcity of these metals has strongly tended to prevent a rapid increase in the quantity of money, and thus, in a measure, to stabilize its purchasing power. It has also tended to minimize disruptions caused when an influx of new money gives to its primary owners a purchasing power for which they have given nothing of real value in return. The limited supply of precious metals, more than any other one thing, produced some degree of steadiness in the supply and in the purchasing power of money during the pre-war era, when each nation's metal reserve was normally about steady, and when this produced a like steadiness in the volume of currency and of bank deposits.

Banking and Inflation

Banking is a comparatively new device, in its modern form, which facilitates the use of money and enlarges the possibili-

ties of credit. Many of its services are virtually indispensable to the proper functioning of a highly organized form of economic and social activity. Yet intellectual honesty compels the admission that banking has not been an unmixed blessing. Rather strangely and significantly, the more its practitioners pride themselves on its technical perfection, the more seriously has the public felt the impact of economic disorder. A quarter of a century ago, business often suffered because gold and currency transfer from section to section was a physical, rather than a purely financial, fact—and it often was tediously slow. During the past seven years, when technical perfection has permitted funds to be transferred by letter or wire, a stage coach would have been sufficiently rapid to meet the diminished demands of business activity. So technical perfection in the mechanics of banking serves but to magnify the consequences of economic imperfections in their impact on the productive processes.

There is a natural economic balance under primitive economy, as we have seen. Trouble arises when the use of money and banking permits that natural balance to be disturbed. When the value of "savings," as measured in money, is equal to their value as represented by investment in new capital goods; and when the amount of money paid out for consumer goods is equal to the total cost of producing those goods, including the remuneration of the manufacturer, jobber, and retailer, there is no bank-induced economic disorder. Money and bank deposits correspond in their movements to the nature of the goods and services they have financed. When they do not so correspond, we suffer from economic disorders.

Bankers and financiers apparently have been unaware that much of the economic disorder which has troubled them, no less than others, is the result of their own practices. Yet the instability they have unwittingly promoted has been pushing the social order to the very brink of fundamental changes. These changes, if they occur, are quite likely to blot out such disruptive banking practices by blotting out the practice of banking. The moral certainty that no economic improvement would result from such a change is quite beside the point. Penury in the midst of plenty is an insult to society which cannot continue indefinitely without reprisals.

Perhaps the most easily discovered channel of inflation is that provision in banking law and practice which permits the banks to expand purchasing power by means of loans with little or no restraint during times of business optimism. This quick responsiveness of the bank credit machinery to the demands for loans largely has been created under the belief that an "elastic" banking and monetary system is necessary. As a reaction to the rigidity in our currency system, prior to 1914, when "currency famines" often forced solvent banks to close their doors, our bankers and lawmakers have reached out for "elasticity", and have thrown wide the door to easy inflation. The difficulty is that the nature of a banking system's need for elasticity has been misunderstood. Some degree of elasticity is imperative. For example, the need for cash and bank loans has regular seasonable variations which recur in substantially constant rhythm from one year to another, but with unpredictable phases which arise from a multitude of causes. These variations from season to season within the year, and between the same seasons in different years, certainly require a reasonable degree of elasticity as the only means for meeting the financial needs of our economic machine without disturbance or shock. Unfortunately, however, "elasticity" has been construed to mean that the banking system should be able and willing to extend loans to all sound borrowers in whatever amounts they may collectively and individually see fit to request. The belief seems to be, as was urged back in 1810, by the Court (governors) of the Bank of England during the hearings which produced the famous Bullion Report of that date, that the necessity of paying interest on loans is a sufficient safeguard against the borrowing of more credit than business actually needs.

The fallacy of this idea was proved in England by a long course of disastrous inflations more than a century ago. Ultimately English bankers voluntarily came to restrict their lending policies in a manner which prevented much fluctuation in the total amount of their loans. And as a result there has been no serious *financial* smash in England since 1866, and no nation—not even our own, with its limitless-appearing resources—has ever equalled the long and prosperous march of English economic life from 1866 down to the World War.

Misuse of Bank Credit

With speculation as such I would pick no quarrel. Those acquainted with its philosophy insist that its function is highly useful, because the speculator supplies a market for commodities and securities when prices are low and other buyers are scarce, and is ready to sell when prices are high and the lack of other sellers threatens a scarcity in commodities or securities. Whether this argument be valid or not, there seems no necessary reason why speculators should not carry on their business in accordance with their own judgment, so long as they operate with privately owned funds, as distinct from bank loans.

Bank loans, however, create a new buying power which is charged with a public interest. The quasi-public nature of banking has been recognized since early times, and in this country the Government has often intervened, though not always wisely, in behalf of what it deemed to be the public interest. Bank loans may not properly be regarded as made from the private funds of the banker, nor may they properly be permitted to be used in ways which are reasonably considered inimical to the interests of the general public.

Few persons would admit that the trustee of an estate properly might use the funds of the estate, either directly or indirectly, in speculative activities; and more especially if the speculative profits were to flow to friends of the trustee and to be effected at the expense of the estate. Purchasing power based on bank loans is charged with a public interest—it gives to banking some of the qualities of trusteeship. Can it reasonably be argued that such quasi-trust funds justifiably may be used to magnify the financial power of speculators and to multiply the profits which they acquire through superior judgment on price movements, *at the expense of the public whose funds they use?* In the final analysis, speculators create nothing—they profit at the expense of society as a whole.

Inflation Through Bank Credit

The business of collecting savings and of directing them into the financing of new investments is a function of real importance to the attainment of stable prosperity. Savings are composed of the money which consumers receive but do not spend for consumer goods or services. Unless effective machinery exists for bringing these savings back into the productive processes by investing them in new capital goods, we would have the paradox in which the mere practice of thrift would upset economic security. Stable prosperity could not exist in the absence of some means for directing back into the stream of investment a sum equal each year to the volume of savings currently effected. And included in the term "savings" are the undistributed profits of corporations. These, too, must find their way into new investment.

The flow of *savings* into new investment, however, is distinct from the use of bank *loans* from commercial banks in financing new investments. Bank loans from commercial banks create new deposits, which are fluid in nature, and correspond to the constant flow of production. They cannot safely be "frozen" through investment in factories and buildings. Only that portion of funds which is not expended on consumer goods may be thus invested. This is savings. Since savings were not paid out for consumer goods, they can return to the productive processes only if expended on investment in new capital goods. In essence, savings represent the solid mass of non-consumable goods, while deposits in

commercial banks represent the fluid mass of goods in process of production.

Commercial banks induce economic disturbance when they trespass in fields which the natural state of economic life has reserved for savings. Not only does this solidify a liquid financial resource, which is bad enough in itself, but it interferes with the law of supply and demand which largely determines how much new capital goods society can assimilate in a given year, and also how much savings will be realized to take care of that need. Analysis shows that sometimes there may be *more* savings than are needed for new investment, but in this country, at least, our annual savings are ample to provide all the new capital goods we can absorb without indigestion.

There is an approximate balance in normal times between the developed need for new capital goods and the volume of savings we set aside. When, therefore, commercial bankers freely advance loans to investment bankers, and through them, to producers of new capital goods—as they did so abundantly prior to 1929—the result is to produce a larger quantity of such goods than we can effectively use. And like any other excess, a surplus of factory equipment, or of hotels and apartment houses, competes with similar productive facilities which were constructed from savings and destroys the earning power of both. The resultant existence of idle and unoccupied capital goods is a stubborn obstacle in the way of recovery from depression.

A prolonged period during which bank loans are used to magnify and expand the production of heavy goods beyond the amount which savings would naturally have financed is probably the most potent influence in promoting inflation, in bringing inflation to a disastrous close, and in delaying recovery from the resulting depression.

New Measures Needed

The three chief sources of inflation, as we have seen, result from the fact that the accepted standards of banking practice and of bank credit control have permitted (a) business to borrow almost all it wished in times of optimism; (b) bank loans to flow into and to finance speculation; and (c) bank loans to finance new investments.

That inflation can ever be entirely prevented, or that prosperity can ever be maintained at a perfectly stable level, is not to be expected. But we can still insist on getting the vast improvement in stability which would follow the closing of these three major channels of inflation.

The first measure required is the setting up of an adequate standard by which the Board of Governors of the Federal Reserve System may know when the time has come to "sit on the lid" of expanding bank credit. They must be able to judge quite accurately when prosperity is beginning to feel the taint of inflation. At present they must rely largely on "skilled banking judgment"; and thousands of bankrupt bankers will testify that this is undependable.

A more workable standard lies in the use of indices of employment and wages, and of the index showing the composite price level, i.e., an index showing separately the consumer goods price level, and the capital goods price level. Under conditions of stable prosperity we will find that dependable and efficient labor is actively employed, and that the indices of employment and of wages will be steady. We will also find that price levels are relatively steady, and that consumer goods price levels will tend to maintain a constant relation to capital goods price levels. When stable conditions do not exist, these indices will disclose the approach of danger and largely indicate its nature. But this quantitative type of regulation can be virtually nullified if the banks continue to extend loans to finance speculation or to finance new investments. These practices must be corrected.

Thinking men are already wondering if the American type of government would survive another financial and economic crash such as the one which now seems to be departing. The consequences of intolerable economic insecurity for the individual have already disclosed themselves in Rus-

sia, Italy, and Germany, where individual liberty has been surrendered in the quest for a promised system of order and security.

There is no real need for similarly selling our American birthright for such a mess of pottage. Financial fever is no more inevitable than is yellow fever. Intelligently devised means of prevention will protect us from the one as effectively as we have already been protected from the other. But this is no job for vendors of panaceas, nor for those who look longingly backward at the conditions which produced such intense economic disorder. Knowledge and detachment are the essential qualities demanded of those who undertake this urgent task.

Franco-Polish Agreement

Now that General Gamelin has visited Poland and General Rydz-Smigly is back home from France it may be possible to sum up the results of the renewal of the Franco-Polish alliance. What does the renewal of the alliance mean? It means that Poland endures firmly, unreservedly, and loyally by the side of France. * * * Many causes went to the estrangement between Warsaw and Paris, but it was the Polish pact with Germany and the French pact with Soviet Russia that dealt the most severe blow to the Franco-Polish alliance. * * * The least friction was sufficient to cause attacks in the press of France and Poland. * * * Now this will cease completely. * * * Moreover, the renewal will also deprive Germany of all her chances, real or illusory, of harnessing Poland to Hitler's chariot. * * *

What was altered in the alliance and what left in its former shape? The details are still kept secret, but it is known that the military part of it underwent considerable alterations —not in principle but as regards strategic plans. * * * The chief alteration was to arrange for close co-operation between the General Staffs and, above all, a plan to make common action of the forces instantaneous. There was no need to arrange for mutual assistance, as this already existed. * * * When Pilsudski signed the alliances Polish cavalry, the pride of Pilsudski, was intended to play a great rôle in case of attack. As a result the building of roads and motorization of the army in Poland has been greatly neglected. Now both armies must be able to mobilize at the shortest possible notice and act before the diplomatic representative of the aggressive State has even reached his native country. To be able to do this it must be possible to send into action a million men and machines several hours after war is announced. It is here that the brains of the Polish and French General Staffs have worked hard to make the new plan adaptable to new conditions, and particularly to meet the great dangers of the air force in neighbouring countries.

Two things made the renewal of the alliance possible. One was Poland's faith that France is really strong from a military point of view; another was French interest in the financial affairs of Poland. * * * During this visit both these problems were solved satisfactorily. * * *

That this renewal is of the utmost importance and benefit to both countries concerned goes without saying. France knows now on whom she can rely in her future arrangements. Poland, on the other hand, can look into the future with more hope. The money she gets, whatever the ultimate sum, whether £30,000,000 or £40,000,000, will be sufficient to put the Polish Army on a higher level and make Poland able to play a bigger part than she already does in European affairs. She will be able to build new roads and railways, erect fortifications, and increase her Air Force. She will thus improve her position economically as well as politically and militarily.

The fact that it was the Government of the Popular Front and of M. Blum that could come to so vital and so quick an understanding with Poland is most significant. It is also of importance for General Rydz-Smigly, as his endeavors to bring about better internal relations will have a greater chance of success now.

Of course, it should not be expected that Poland will give up her friendship with Germany, and this is not even desired in France. But Poland's attitude towards Russia will become less pointed, and in her relations with Czechoslovakia a change for the better can be expected.

Manchester Guardian Weekly

WHY HITLER WANTS MEMEL

An easy prey, it might well serve as Germany's door to Eastern expansion

BY HENRY C. WOLFE

MEMELLAND, ERWACHE! Those challenging German words roared out of the radio loud-speaker in the office of Memel's *Ost-See Beobachter*. This is the newspaper written in German which reflects the views of the anti-Nazi portion of the Teutonic population in Lithuania. We sat listening to this propaganda broadcast from the Nazi radio station in Koenigsberg to the Germans of the Memel Territory. The National Socialists in the capital of neighboring East Prussia were sending out the broadcast as "news."

Jacob Sieman, a refugee from the Third Reich and now editor of the *Ost-See Beobachter*, sat close to the loud-speaker, taking rapid notes as the Nazi fulminations poured into his ears. Small beads of perspiration glistened on his forehead and his face wore an expression of pain. In the torrent of "news" his own name was frequently mentioned. For though this quiet, gentle little man was a veteran of four years of war service in the German Army and had twice won the Iron Cross for bravery, his Jewish religion had made him anathema to the rulers of the Fuehrer's Third Reich.

Having been driven out of Germany into Lithuania, Jacob Sieman still lived in constant danger of death because he was on the Nazi list of "enemies of the Fatherland." To be sure, no one believed that the gentle Herr Sieman was an enemy of Germany or of the German people, but his democratic views and opposition to the dictatorship of Adolf Hitler made him a target of National Socialism's violent campaign in Lithuania. An official of East Prussia told me: "Sieman is the most hated man in Memelland." He did not explain, of course, that this hatred is confined entirely to the Nazi element of the population.

Tiny Lithuania, containing only two million people, is one of those nations unfortunate enough to be located at a crossroads of international politics. The country's importance is due neither to size, population, or economic factors, but largely to its strategic location. A glance at the map shows that Lithuania is situated at the crossroads of Germany, Poland and the other Baltic States. The Soviet Union lies just across the so-called Vilna Corridor of Poland. In many respects Lithuania is a border state between the East and West. One finds here an intermingling of influences from Germany, from Poland, and from the inheritance of the long Russian occupation, all blended with an ancient Lithuanian culture which has survived long periods of subjugation by foreign masters.

When the visitor arrives in the port of Memel, he sees a city with many of the Western characteristics of Germany. But when he goes to Kovno, the Lithuanian capital, he is taken in charge at the station by a bewhiskered Russian *isvostchik*, whose rickety *droshky* clatters over the cobbled streets, while the driver cracks his whip, and in true *isvostchik* fashion, curses the luckless pedestrians who cross his path. It is a picturesque page from the book of old Russia.

If this little agricultural republic were located somewhere else in Europe, its pas-

toral life might pass uneventfully and we might hear little of its political affairs in the news. But situated as it is on the "bleeding" eastern frontier of the Nazi Third Reich, Lithuania has a strategic importance that is little appreciated in Western Europe and even less understood here in America. Against the wishes of its Government and people, this small nation has become one of the principal powder kegs of Europe. At any time it may be touched off by one of the neighboring nations which are playing with the matches of international politics.

The chief source of danger to Lithuania's future peace is her retention of the Memel Territory, a strip of sandy, unattractive land which skirts the Baltic and is claimed by Germany. On the basis of article 99 of the Treaty of Versailles, the Reich renounced ownership of this district in favor of the Allied Powers. Memel was held four years by the Allies pending a final settlement, but the situation was taken in hand by the Lithuanians who put through an armed *Putsch* in the territory in January 1923. Title to the district was subsequently given the Lithuanians by the Convention of Paris, a settlement never acceptable to Germany.

German or Lithuanian

Were the population of this territory either German or Lithuanian, it would be a comparatively simple matter to pass judgment on the right of ownership. But the ethnic composition of the district is so confused that no one has ever been able to say authoritatively just how many of its people are Germans and how many are Lithuanians. There are so-called pure Germans, so-called pure Lithuanians, so-called Memellanders who are a mixture of both stocks, so-called Germans with Lithuanian names, and finally, so-called Lithuanians with German names. From this ethnic melange it is not an easy matter to arrive at justice for both minority and majority populations.

Nearly everyone in the Memel Territory understands German, and it is quite possible that a plebiscite in the district would demonstrate a Teutonic majority. But again the question is not so simple as that. Many of the Teutons are not in sympathy with National Socialism and would be in danger of incarceration in a Nazi concentration camp if the Third Reich were to gain control of Memelland.

Although there is undoubtedly much ground for the German contention that the Memel Territory has a Teutonic majority, there is perhaps even more basis for the Lithuanian argument that the area is economically dependent on Lithuania. As part of the Reich, Memel would have almost no economic hinterland, while as a Lithuanian province Memel has an important economic hinterland which now embraces all Lithuania and may some day include vast reaches of Poland and the Soviet Union. While Germany's economic system does not need Memel, Lithuania must have it to live, for this port is the little republic's window on the Baltic, her sole point of maritime contact with the outside world.

Nazi Gateway

There are several reasons why the Lithuanians fear serious trouble with Germany. First, Lithuania lies on one of the Reich's roads to the East. In other words it is the gateway of Nazi expansion into Latvia, into Estonia, and into the Soviet Union. Second, Lithuania is the weakest nation on Germany's so-called "bleeding" frontiers. Hitler can strike across the Niemen into Lithuania with less risk than would accompany a similar aggression across the Rhine or along the Danube. Third, authorities in Kovno fear that if a general European conflict should precede German invasion of Lithuania, the Reich would seize its small Baltic neighbor as a "war pantry" to provide essential food for the beleaguered homeland.

When Hitler made his sensational Reichstag speech on March 7, announcing remilitarization of the Rhineland, he spoke of instituting a non-aggression pact with Lithuania, provided Lithuania carries out certain policies toward Memel. Since

Times Wide World

BALTIC WINDOW: "While Germany's economic system does not need Memel, Lithuania must have it to live, for this port is the little republic's window on the Baltic, her sole point of maritime contact with the outside world."

that statement, however, no more has been heard from Berlin about such a treaty. But Lithuanians were not disappointed, because no one in the country regarded Hitler's proposition as a sincere offer.

While Nazi pressure against Lithuania was not so pronounced during 1936 (because Hitler was too busy on other fronts) as in the previous year, a steady stream of National Socialist propaganda flows across the border into Lithuania, especially into the Memel Territory. This effort is designed to stimulate intense nationalism in the Teutonic minority and to spread the belief in Germany's invincibility. The Nazis take every possible opportunity to foster discontent in Memelland against the Lithuanian Government and to create an irredentist spirit among the population.

A Soviet Conspiracy?

In the international field, Nazi propaganda portrays Lithuania as the catspaw of the Soviet Union, as Moscow's diminutive *agent provocateur*, sowing seeds of trouble along the Baltic. Germany claims that Lithuania and the Soviet are not only in close political contact, but that Russian air bases are being secretly constructed on Lithuanian soil and Red Army officers are reorganizing the Lithuanian Army. The Nazis have steadily maintained that Moscow has been at the bottom of the disputes between Germans and the Lithuanian authorities in the Memel Territory.

To these charges of Soviet conspiracy, Lithuanian officials enter a categorical denial. They explain that their staff officers were not the only foreign military men who went to Moscow for the May Day celebration, that Latvia and Estonia also sent military missions at that time. The Lithuanians claim that their country has only four military air fields—at Kovno, Siauliai, Palanga, and Panevezys—maintained exclusively for the use of their own air force. The Lithuanian Foreign Ministry denies that any Soviet mission is connected with the Lithuanian Army.

Probably the significance of these Nazi charges of Soviet interference in Lithuania lies in Berlin's plans of aggression across the Niemen. If the Nazis want an excuse to intervene in Lithuania, what more convenient pretext could they have than a crusade to "save" their small neighbor from Bolshevism?

A high official of the Lithuanian Government told me last summer: "In view of Germany's threatening attitude toward us, you may wonder why we are not in a state of panic. The answer is—Poland." He paused. "Oh, I know you are surprised when I speak as if Poland were our friend. The Lithuanian-Polish frontier has been closed for sixteen years and we have no economic or diplomatic intercourse between Kovno and Warsaw. But relations between our two countries are not so strained now as many people think. Indeed, there has been much quiet, behind-the-scenes work to bring about normal relations. But we in Lithuania are still handicapped by the violent propaganda spread against Poland by a former Lithuanian (Waldemaras) Government. This handicap compels us to proceed slowly in our efforts to effect a *rapprochement* with Poland, because any precipitate action might inflame the Lithuanian peasants to believe that we had sold out our rights to Poland in the Vilna question.

"But in the meantime, Poland is keeping a restraining hand on the Nazi mailed fist. The Poles realize only too well that if the Third Reich can gain control of the Memel Territory, it will mean further aggressions against Lithuania. If our country is to fall before the Nazi onslaught, another stone will be placed in the wall of German encirclement of Poland. The Poles will use their influence to prevent such a development."

Though Poland and Lithuania officially are still at odds over Polish possession of the city of Vilna, which is claimed by the Lithuanians as their capital, it seems reasonable to believe that Lithuania is quietly preparing to acknowledge Polish ownership of the disputed city when conditions at home permit it. Meanwhile, each country has sent a journalist to the other's capital. These men are really unofficial ambassadors who are preparing the way for better relations between the two long-estranged neighbors. Lithuania's representative in Warsaw is Valentinas Gustainis, correspondent of the *Lietuvos Aidas*, a Kovno newspaper. His tact and constructive philosophy are furthering an understanding between two nations which ought to be friends.

Rosenberg's Whispers

Germany's Baltic ambitions, however, reach beyond Lithuania into Latvia, into Estonia, and finally into the Soviet domains. Dr. Alfred Rosenberg, a Baltic Teuton, born in what is now Estonia and educated in what is now Latvia, is Chief of the Foreign Political Division of the National Socialist Party. And he is the strategist on whose advice the Fuehrer depends in formulating the Reich's foreign policies. Rosenberg, a fanatic of the first order, is father of the anti-Semitic, anti-Christian, and German-Heathen movements in the Third Reich. More than any other man, he has convinced Hitler that Germany must turn her back on the West in order to gain glory and booty in the East. In *Mein Kampf* the Fuehrer states that German expansion in the East must be achieved at the expense of "Russia and the border states dependent upon her."

In Rosenberg's grandiose plans for a Baltic *Drang nach Osten*, Lithuania is merely a bridge to connect the Reich with Latvia. Memel is Lithuania's shabby window on the Baltic, but it might well serve as Germany's door to the path of empire which sweeps northeastward toward Leningrad. If German troops can gain control of the Memel Territory, only a narrow corridor a dozen miles wide would separate them from the Lettish border. The next step would be to pinch off this strip of land and establish direct German contact with Latvia. In Latvia and Estonia there are small but influential Teutonic groups, the remnants of the old Baltic barons, descendants of the Teutonic Knights who once ruled these Baltic provinces. These *Herrscher-*

volk constitute a bold minority who form the advance guard of Nazi penetration through the nations which lie in the northeast path of German expansion.

The Fascist attempt to overthrow the Paets Government in Estonia in December 1935, apparently engineered by German and Finnish Nazis, was a further indication of Hitler's efforts to increase his influence in the Baltic States. The Estonian Fascist leader, Arthur Sirk, who had been living in Finland, was aided by the Front Soldiers and other extreme Rightist elements in Estonia. Although the Finnish Government has taken some action against its Fascist groups, the powerful Mannerheim following—bitter enemies of the Soviet—is friendly to the Reich. It was considered noteworthy that General Mannerheim took part in the Goering-Gömbös-Radziwill "hunting" party at Rominten, East Prussia, last year. Significantly enough, this reunion of enemies of communism was held only a few miles from the junction of Germany's frontier with Poland and Lithuania.

Hitler and the Baltic

Hitler's plans for expansion along the Baltic littoral call for German naval hegemony in that inland sea. The Reich has apparently surrendered any thought of naval rivalry with Britain, a policy which leaves Berlin free to concentrate her strength in the Baltic against Russia. Because the Finns fear Soviet aggression, Finland is on cordial terms with the Reich. With the permission of Sweden, Finland could fortify the Aaland Islands, a strategic naval base in the Baltic that could be of inestimable value to Germany in the event of hostilities with the Soviet. Furthermore, Finland itself could be used as an advanced aviation base for the Reich. From the Finnish frontier, it is only about fifty kilometres to Leningrad and from the Estonian border only one hundred fifty miles to Leningrad.

While actual war between the Reich and the Soviet may be far off, their struggle for mastery of the Baltic is going on today. The belief persists in Europe that there is a pro-German orientation in Denmark, Norway, and Sweden. It does not follow that these Scandinavian countries are preparing to become allies of the Reich. But it seems likely that, as neighbors of Germany, they are anxious to avoid any position which might expose them to attack from Germany's Navy or air force in the event of a European conflict. Denmark does not want to be seized by the Reich to serve as a "war pantry" or base for German submarines and airplanes. Sweden has long stood in fear of the westward march of the Russian bear, a fear that existed before Karl Marx was born. The Swedes have no desire to renew the exhausting struggles of Peter the Great and Charles XII, conflicts which drenched the soil of the Baltic States with the best blood of Sweden. For well over a century the Swedes have been able to maintain their neutrality in the face of political convulsions which have shaken the Continent to its foundations. Stockholm sees the clouds of another, and perhaps even more terrible, war on the horizon and wishes to avoid entanglement in the net of international politics that has already enmeshed most of Europe. Sparsely settled Norway feels the same way about the situation.

Inasmuch as the Nazis foresee an embargo against them on the outbreak of war, they are trying to meet that threat before it materializes. If they are able to maintain friendly relations with their Scandinavian neighbors, the Germans can import fish, dairy products, and meat from Norway and Denmark. From Sweden they can obtain such essential materials as steel, iron ore, aluminum, lumber, and other raw materials. The Nazis believe those resources will help beat the blockade against them.

But to import products from Norway and Sweden, Germany must have complete control of the Baltic. Partial control would not be enough. Ships must be able to pass safely from north German ports to the maritime cities of Scandinavia. To do so, the Nazis must be able to bottle up the Soviet naval forces at Petrograd. This can be accomplished most effectively by control of the Baltic lands from the Niemen to the

Gulf of Finland. The first step in such a program is to move against Lithuania and occupy Memel.

Quite aside from this program, however, there is the threat to Lithuania inherent in the internal affairs of the Reich. As economic conditions become more oppressive for millions of Germans, the Nazi high command may need another foreign "victory" to divert Teutonic minds from their troubles at home. Small Lithuania would be the least dangerous field of operations for another of Hitler's sensational *coups de théatre.*

Peace Prize for Hitler

THE Finnish newspaper Siniristi strongly advocates that the Nobel Peace Prize be awarded to Chancellor Adolf Hitler of Germany.

Everyone who has impartially surveyed political events in the world during recent years, says the paper, must admit that no one has done so much to promote peace and avoid war as the "greatest statesman of our time and one of the greatest statesmen of all times, Chancellor Hitler."

Mr. Hitler has not only transformed Germany into the most peaceful country of the world, but also has erected a strong bulwark against Bolshevist imperialism by strengthening Germany from a military viewpoint, declares the paper, adding that had not Mr. Hitler assumed power in 1931 all Europe would probably now find itself in much the same state of disintegration as that which now prevails in Spain.

The paper declares that quite recently Chancellor Hitler once more proved his peaceful intentions by concluding an agreement with Austria and expresses the conviction that, by breaking the links of the chain imposed on Germany by the Treaty of Versailles, Mr. Hitler was actually forging the lines of a new chain of world peace.

By substituting the frank and honest system of bilateral pacts for the treacherous system of collective pacts, the German Chancellor has moreover effectively counteracted the threat of war, the paper asserts, and, for this reason, no worthier candidate for the peace prize could be found than "the guarantor of Europe's peace, Germany's leader, Adolf Hitler."

—*China Outlook,* October 10, 1936.

Legislative No-Man's Land

THE SIGN SAYS "NO" TO SOCIAL LEGISLATION

By Henry A. Shinn

SOME time ago the legislature of one of our Western States passed a law which read as follows: "When two trains approach a junction, each shall come to a full stop and neither shall proceed until the other has passed."

The Federal Government and the State legislatures are standing today at that impassable junction, loaded with sacks of social legislation.

How far may the Federal Government go behind State lines to regulate the social conditions which have grown out of our complex economic life? And what authority have the States to cope with the many necessary readjustments of society to mass production under corporate direction?

Between the powers granted to the Federal Government by the Constitution and those denied the States by the due process clause in the Fourteenth Amendment, lies a legislative no-man's land inoculated against social or economic reforms and reformers—a land where neither the State nor the central Government may enter, under constitutional authority, to control prices, fix wages, limit hours, or regulate production in private industries which are not clothed with a public interest as are, for example, common carriers. If Congress attempts to cross State lines to regulate a local business, the owner defends with the Constitution; and when the State attempts to control the same private property, the owner defends again, but this time with the due process clause in the Fourteenth Amendment.

In the time of Washington, Hamilton, and Jefferson all things were hand-made. The economic security of the family was measured by its skill at the last and the loom, in field and furrow. Production and consumption were each a part of one process—the family's sustenance; and for this reason the one was readily balanced against the other. Overproduction was a family problem, not a national calamity.

In this atmosphere the Fathers of our Constitution planned a dual system of government which has been aptly described as "an indestructible Union composed of indestructible States." All sovereign power not delegated to the Union or denied the State remained in the commonwealth. As has been said many times, the Constitution alone is the polar star to direct the course of our Ship of State. Any assertion of power by the legislative, executive, or judicial branch of the Federal Government which is not founded directly or by implication on the Constitution is an invasion of States' rights.

It was quite natural that the framers of our Constitution, in limiting the powers of the central Government, did not delegate to it authority to legislate on social problems. The need of such legislation did not exist. When the delegates met in Convention Hall, the City of Philadelphia was a small town of 44,000 people. The next largest town in all the thirteen sovereign States was New York City, with a population of only 33,000 inhabitants. Without large cities, huge smokestacks, and congested factory districts there were no slums to breed social evils, no labor unions to strike, no demand for minimum wages, maximum hours, continuity of production —and no bitter struggle between concen-

trated capital and organized labor. But even if these problems had existed, State sovereignty was sufficiently strong to keep control of social questions within the commonwealth. If the delegates to the Convention had presaged the coming of the factory system, massed wealth, machine power, overproduction, and maldistribution, they were content to leave these economic and social developments to local control, where it remained until the Fourteenth Amendment inadvertently curbed the power of the States to regulate strictly private property.

In the white heat of civil conflict the authors of the Fourteenth Amendment could not have foreseen that corporate wealth under cover of the due process clause would be able to defeat practically all the powers reserved to the States to regulate or control private property. Until the adoption of this amendment there was nothing in the Constitution to prevent the States from enacting social legislation. After reviewing instances of price regulation by local governments before the adoption of the Fourteenth Amendment, Chief Justice Waite in *Munn vs. Illinois* said: "From this it is apparent that down to the time of the adoption of the Fourteenth Amendment it was not supposed that statutes regulating the use, or even the price of the use, of private property necessarily deprived an owner of his property without due process of law."

The Constitution did not delegate to the Federal Government nor deny the States the power to regulate private property. The original purpose of the authors of Section One of the Fourteenth Amendment (which reads in part, ". . . nor shall any State deprive any person of life, liberty, or property without due process of law"), was to prevent Southern States from enforcing Black Codes which deprived the freed slaves of their civil rights. To the Northern States adopting the amendment, it has returned like a boomerang. Aimed against social inequalities, it returned to free private property from State control. Under the influence of *laissez faire*, rugged individualism, and the growth of private capital the courts have stretched the application and inflated the meaning of the due process clause until, like a balloon, it has carried away about all the powers reserved by the States to legislate for social security and economic reforms.

Need for Readjustment

How changed are the political and economic facts on which the Constitution was predicated! The delegates to the Convention were first citizens of their respective States and then of the Union. But as the caravans carried the frontiers ever westward until they recoiled on the shores of the Pacific, as new territories were carved from virgin soil, as new States came into the Union, as wars were fought in the name of that Union under one flag, the national spirit grew until it overshadowed State sovereignty.

Economic changes have more than kept pace with the growth of our national spirit. Mass production under corporate direction has long since driven the father from the last and the mother from the loom, and now threatens to drive the farmer from the field. Even the butcher and the baker have capitulated to the corporate managers of Main Street. The miracle march of the modern machine has completely changed our economic life and threatens our political institutions. The Industrial Revolution is still marching on.

All social organizations, all political systems, and all measures of value in Franklin's time were postulated on the Biblical and basic presumption that man shall live by the sweat of his brow. Since man-power has been greatly supplemented by automatic tools, these presumptions on which our political and economic life rested must be reconsidered. Neither the Federal Government, under its delegated power, nor the States, shorn of their power by the due process clause, has constitutional authority to make these social and industrial readjustments.

No Federal legislation has gone further in obliterating State lines for the purpose of fixing minimum wages, maximum hours, and planned production in private pursuits

of capital than did the National Industrial Recovery Act. Through codes of fair competition this law, under the cover of the commerce clause, went behind State lines to regulate private property. Finally it came before the Supreme Court in the Schechter case where it was held that the broad powers of Congress under the commerce clause could not be stretched to the extent of permitting the Federal Government to regulate wages, hours, and the conditions of labor in a local business.

Incidentally, it was seriously doubted until 1916 that Congress could even regulate hours and fix wages of employees of interstate common carriers. In that year the Adamson Act was passed to cope with a nation-wide strike of railroad employees which was threatening commerce at a critical hour. This act, which provided for an eight-hour day and a temporary wage scale, was upheld by the Supreme Court in *Wilson vs New*. Chief Justice Taft later commented upon the opinion saying, ". . . the rule in *Wilson vs. New* went to the borderline."

Since the Federal Government failed with the National Recovery Act to regulate hours and wages in private industry, what authority have the States to enforce similar legislation?

Authority of States

In 1920 the coal miners in Kansas called a general strike during one of the most severe blizzards of the winter. State institutions, public schools, libraries, and churches were closed, business buildings were able to open for only a few hours in the day, transportation was greatly impaired, and private homes were suffering from the cold. The operators and the miners were in a hopeless deadlock. In the midst of this demoralizing situation Governor Allen called a special session of the Legislature which passed a law establishing a Court of Industrial Relations. In case of a dispute over wages or other terms of employment in industries producing food, fuel, clothing, or transportation, which businesses the act declared to be affected with a public interest, the Industrial Court was empowered to call the disputants before it, make findings, and fix the wages and other terms for the future conduct of such enterprises. This was a direct attempt by the State to control wages and hours and provide for continuity of production in an effort to protect the health and welfare of the public.

But in a dispute between meat packers and their employees, the constitutionality of this law came before the Supreme Court in 1923 in the Wolff Packing Company case. The Court held, first, that the act of a legislature declaring a business to be affected with a public interest does not necessarily make it so; and, second, that there was no authority within the State to fix wages or hours in a strictly private industry. In concluding the opinion of the Court, Chief Justice Taft observed that the act conflicted with the Fourteenth Amendment.

These two decisions, the Schechter case and the Wolff Packing Company case, definitely decide that there is no legislative authority either in the Federal Government or in the State legislatures to control wages and hours or to provide for continuity of production in private industry.

Controlling Production

Much has been said in recent years about a planned economy. The question naturally arises: is there any legislative power in the central Government or in the States to control, limit, restrict, or regulate production?

In the Agricultural Adjustment Act the Federal Government crossed State lines into hamlets and homes for the purpose of limiting, regulating, and controlling agricultural production. This time the Federal Government was not attempting to ride into local business on the commerce clause, but rather on the broad power of Congress to tax for the general welfare of the United States. In *United States vs. Butler,* the Supreme Court held the act unconstitutional on the ground that the law invaded the reserved right of the States because "It is a statutory plan to regulate and control agricultural production, a matter beyond the

powers delegated to the Federal Government."

But did the act, as stated in the opinion, invade the reserved rights of the States? What right have the States under the Fourteenth Amendment to regulate or control agricultural production? If a State were to enact a law coercing the farmers into curtailing their production, the due process clause would stand as a guard against such legislation as it has in numerous other cases where State statutes have attempted to control private property not clothed with a public interest. In Oklahoma, for instance, the ice-manufacturing industry had become overcrowded in a number of the larger cities. Competition was bitter. Price-cutting and bankruptcy followed, depriving many citizens of an adequate supply of ice. In seeking relief from this demoralizing condition, the State of Oklahoma attempted to regulate the manufacture of ice by requiring a proposed ice company to obtain a certificate from the corporation commissioner before going into the ice manufacturing business at any particular place. If the commissioner was of the opinion that the ice supply in the community was adequate, it could refuse to grant the license. This statute, which attempted a planned economy in the ice manufacturing business by regulating production and providing for its continuity, came before the Supreme Court in the New State Ice Co. case. The Court held the law unconstitutional on the ground that it denied the free use of private property without due process of law.

In order to prevent gasoline wars between rival companies and the consequent evils of cutthroat competition, the State of Tennessee passed a law which created a Commission of Finance with power to investigate the wholesale price of gasoline and fix the retail price. In *Williams vs. Standard Oil Co.*, the Supreme Court held this statute unconstitutional on the ground that it took private property without due process of law. In Minnesota a law was passed commanding buyers of cream, one of the chief products of the State, to adhere to a uniform price in an effort to prevent unfair competition. This statute came before the Supreme Court in the Fairmont Creamery Co. case. The Court held it to be an unconstitutional invasion of private rights protected by the Fourteenth Amendment. But why multiply examples? These cases and the A.A.A. decision definitely conclude that there is no legislative power in the States or in Congress for a planned economy through controlled production in agriculture or industry.

"The Public Interest"

It has been the practice of the Supreme Court in determining the fate of social legislation to decide first the nature of the business affected. If the Court is of the opinion that it is clothed with a public interest, then the State through legislation may, within certain limits, control and regulate. If, on the other hand, the Court finds that the industry is strictly private, the legislation must stand the test of the due process clause. This was the procedure in *Munn vs. Illinois*, where the Supreme Court found that grain elevators were affected with a public interest and subject to regulatory measures. In *German Alliance Insurance Co. vs. Lewis* the Supreme Court judicially determined that the insurance business is clothed with a public interest and subject to State regulation. In *Noble State Bank vs. Haskell* the Supreme Court held that the banking business is so affected with a public interest that the State may make an assessment against its deposits for the purpose of establishing a depositors' guarantee fund.

The opinion of the United States Supreme Court in *Nebbia vs. People*, upholding by a five-to-four decision a New York statute regulating the retail price of milk, is especially notable. Here the Court took cognizance of the paramount size of the milk industry in New York, of its close relation to health and the general welfare, and permitted the regulation even though the dairy business was declared by the Court not to be a public utility.

From early colonial times certain com-

mon callings followed by ferrymen, hackmen, bakers, millers, wharfingers, and innkeepers were subject to legislative control on charges made for services rendered. These occupations were affected with a public interest chiefly because of their relation to the general public. For that reason public utilities, such as railroads, electric plants, and telephone companies have been added to the list. In building up an argument to declare judicially for the first time that grain elevators were subject to legislative control, Chief Justice Waite in *Munn vs. Illinois* came to the conclusion that "Property does become clothed with a public interest when used in a manner to make it of public consequence. . . ." From that definition it would seem that the production of coal, the corporate distribution of milk, the refining of oil, the sale of gasoline, and many other pursuits, affect the community at large as much, if not more, than did ferrymen, bakers, and innkeepers in colonial days.

Protection for Belgium

IT IS no exaggeration to say that Belgium has a special place in the friendship of the British people. We have many ties in common, ties of history, ties of comradeship and ties of memory for a generation in both countries not yet grown old.

In many respects our outlook on world affairs is similar. We are both democracies. We are proud of our traditions. We cherish our freedom, both individual and national and will not yield it up. * * *

Let me affirm once again that the independence and integrity of Belgium are of vital interest for this nation and that she could count upon our help were she ever the victim of unprovoked aggression. I say these words deliberately because I am confident that they represent the will of the British people, and that to make this plain is a contribution to peace. * * *

The statesmen of the world must know the nemesis awaiting them and their countries if war ever again is loosed upon the earth. Is there, then, no alternative? Surely there is. It is a universal realization that the arbitrament of brute force belongs to animal creatures and that the whole effort of civilization should be to raise ourselves above the level of beasts.

Surely mankind will choose this better way. It can maintain before itself ideals worthy to be followed. The British and Belgian peoples in this are surely one. In their unremitting pursuit of maintenance of peace they seek some greater glory than that of battle, some finer inspiration than cannon.

During the last year it has been my privilege to work on a number of occasions with the Prime Minister of Belgium. It would be impossible to imagine a more loyal colleague. Without presumption I hope I may be allowed to say that the stresses through which we have both passed have established a friendship between us that will endure.

Belgium owes much to her Prime Minister; Europe owes scarcely less. More than once in recent times—on the occasion of the German occupation of the Rhineland in March, on the occasion of the League's failure over the Ethiopian issue—have we had cause to be profoundly grateful for the courage and statesmanship of Belgium's Prime Minister. In the part which van Zeeland has thus played he has well typified the spirit of his nation.

We are proud to welcome him here. In all sincerity we wish health to the successful Prime Minister, and to his country, prosperity and peace.

British Foreign Minister Anthony Eden in a luncheon talk, welcoming Paul van Zeeland, Belgian Prime Minister, on London visit. November 27, 1936.

BELGIUM, 1936

Her neutrality seems close to a risky, if not dangerous, isolation

BY CURT L. HEYMANN

BELGIUM in 1936 stepped out of her defensive alliance with France and returned to her old policy of neutrality. Holding, geographically, a key-position as a buffer state between the British Channel and the European center, the step is a political event of greatest importance. In the course of further developments in Europe, little Belgium's move in 1936 may prove to become just as decisive as the rôle she played in 1914 and 1918.

On the morning of August 4, 1914, the German Minister to Brussels informed the Belgian Government that its reply to Germany's request for leave to cross its territory was unsatisfactory and that a state of war existed between the two countries. German forces had already entered Belgian soil near Liège. The following day, Britain declared war on the Reich for the violation of Belgium's neutrality, guaranteed by England, France, Russia, Prussia, Austria, and the Netherlands in 1839. When the war ended, Belgium had learned a lesson. At Versailles, she dropped her neutrality rôle and turned for her own protection to collective security and a military alliance with France.

After seventeen years, Belgium has again shifted her political position. Last October 14, in a statement to a Cabinet council at Brussels, King Leopold announced that Belgium had severed her military alliances and was resuming her pre-war neutrality. A few weeks later, Foreign Minister Paul Henry Spaak described Belgium's new foreign policy as "complete independence without returning to our pre-war foundation of complete neutrality." His explanation made it clear that the country had definitely abandoned defensive alliances and the King's announcement actually outlined the Government's program.

"An alliance," the Belgian monarch said, "even if it is purely defensive, does not achieve its purpose, because however prompt might be the aid from our ally, it would come only after an onslaught by an invading army which would be devastating." Thus the nation decided to pursue an "exclusive Belgian" policy. The Franco-Belgian alliance was doomed, collective action revoked, and the Belgian Government does not intend to take an active part in any new Locarno pact that may be concluded. This decision was a blow to the powers of the old Entente—with the exception of Italy.

World Reaction

To France, the King's declaration was a "moral" blow. It created a profound sensation at the Quai d'Orsay, and French diplomats, confronted with a *fait accompli*, handled the delicate situation with velvet gloves. They felt responsible but interpreted the consequences in their own way. They did not think that all hope of reviving Franco-Belgian cooperation was lost, and M. Delbos, reviewing the Belgian situation, told the Foreign Affairs Committee of the Chamber of Deputies that Belgium had not denounced her treaty obligations. According to this statement, Belgium would continue to be formally bound to France by a bilateral treaty, by the Locarno collective security pact, and by membership in the League of Nations. But four questions, involving the principal points, put by the French before the Belgian Government,

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BELGIUM, 1914: Children, hands clasped, precede their mother through the ruins of Termonde, after the town was shelled by the Germans. Does the fate of 1914 loom over the Belgium of 1936?

have not been definitely answered. They are:

1. What is the present Belgian position with regard to the Locarno pact, still valid but denounced by Germany and recognized by Belgium and the other powers during the London discussions?

2. What is the Belgian attitude toward the proposed Locarno negotiations and what part is she prepared to take in the negotiations?

3. Will Belgium's neutrality permit her to continue to collaborate with the League of Nations, and if so, under what form will Belgium participate?

4. Does Belgium intend to continue the staff accords framed after the London talks until a new Locarno pact is concluded by the western powers?

The British Government took a formal attitude toward the Belgian King's announcement. It disliked the method of publishing the news without previous official notification to the French allies of Belgium. Otherwise the British were not perturbed. Since Anglo-French collaboration forms the cornerstone of Britain's policy on the Continent, Whitehall endeavored to follow the French thought. True, the British have set their heart on a new Locarno and adhere to a strong League of Nations. But, according to Belgium's new stand, the Locarno treaty, concluded in 1925 under conditions which no longer exist, also relieves her from the eventuality of coming to Germany's assistance against a French aggression. And as for the League, collective security is no longer a real issue.

Moscow was not alarmed either. The Kremlin did not see how the Belgian action could weaken French support of the Franco-Soviet pact, which was stronger than ever. However, while some capitals of the Little Entente worried, one gloomy view came from a Russian political source, expressing the belief that Belgium's move was a victory for German and Italian diplomacy. Mean-

while, the censored German and Italian press kept silent, refraining from jubilant comment. A triumphant chorus would have been the correct expression of hidden sentiment in Rome and Berlin. An outline of the political developments, preceding Belgium's neutrality declaration, will show why.

New Line-Up

As much as Belgium's final move was a deadly blow to the new line-up of Continental nations, it did not come as a complete surprise. Last August—usually a month of political inactivity with chancelleries deserted and cabinet members on vacation—preparations were made for the five Locarno powers to meet in the fall. Then, for the first time, it was felt that Belgium and not Germany would present the meeting with a problem. The obstacle was the feeling of the Belgian public about the uneasiness of the French situation. Belgians regarded the position of Premier Léon Blum's Popular Front Government as dominated by Communists, and, worried by communistic tendencies themselves, were more inclined to fear bolshevism than Hitlerism and their own Rexist movement. The powerful Belgian Catholic Party resented the anti-clerical attitude of the French Cabinet and moved closer to the Flemish Nationalists who were always opposed to a French alliance. Belgian politicians were afraid that a new Locarno pact would increase expenditure for military purposes, which subsequently would demand new taxes, and which, in turn, would increase their unpopularity with the taxpayer. The parliamentary commission of defense passed a resolution opposed to the planning of warlike measures against any neighboring state, and individual Belgian politicians and business men endorsed this tendency with remarkable unanimity. Finally, even before Mr. Spaak left for

London to attend the preparatory meeting of the British, French, and Belgian delegations, he was in a position to declare that his country could not increase her arms except for self-defense. The fate of Belgium's participation in a new Locarno was then already sealed.

On the other side of the fence stood Germany and Italy with Austria and Hungary on their apron-strings. Although the final outcome of the Italo-German negotiations, leading to formation of the so-called "fascist bloc", did not become apparent until several months later, there are strong indications that Hitler and Mussolini had their hands in the diplomatic pie. Fascist diplomacy had already weakened France's position in the Balkans. Strategically, Germany had given up the "Schlieffen plan", abandoning the idea of attacking France through Belgium. During the summer, the Nazi Government played the famous diplomatic game of *Ablenkungsmanoever*, distracting its interests from the west and, with Mussolini's support, concentrated on an eastern policy and kept a watchful eye on the Danubian states. Little Belgium, between two hostile camps armed to the teeth, felt an uneasiness similar to that of 1914. King Leopold, whose sister is the wife of the Italian Crown Prince, felt strong affiliations with Rome—personal ties which had previously caused him to seek Britain's friendly mediation on the Continent. This time he chose neither to warn nor to consult London or Paris. He went straight ahead and, supported by public sentiment among his subjects, avoided the dilemma by walking out of the menacing situation. Unfortunately, his action has an ironic element: he followed the Kaiser's and Hitler's example by using treaties like "scraps of paper."

Strategic Circumstances

Let us, however, assume that Belgium's step was forced upon her by strategic circumstances, and let us take into account that the troubled waters were smoothed somewhat toward the end of 1936, France reassuring her World War ally, and Belgium readjusting her step to the general European situation by framing her stand as "modified neutrality." In that case, what military developments are in back of Belgium's walkout and what strategic constellation prompted her step?

In a military sense, it looks as though Belgium's neutrality comes close to a risky, if not dangerous, isolation. Since two military systems clash on her borders, the Belgians prefer to describe their situation as "immunized" rather than "neutralized", thus avoiding the old term so closely connected with the fate which befell the nation in 1914. In doing so, they pretend that the geographic position of the country separates its two hostile neighbors, giving little Belgium a fair chance to stay out of a conflict. No Belgian, however, is so short-sighted as not to admit that, in case of an invasion from either side, the country could block an invading army now even less than in 1914. If that is the case, they want to make an invasion as costly as possible. But at any rate, the Belgian people do not want to be dragged into a European conflict because of the Franco-Russian alliance, which, they are afraid, is overshadowing the European situation, and in which, they feel, they have no vital interest. They think of minimizing a possible conflict and not of enlarging it. They think of their own borders and the fact that they must protect the longest common frontier with Germany. March 7, 1936, started the ball rolling. Hitler marched into the Rhineland. Again, ironically enough, the German dictator's aggressiveness by opposing anew neighborly Belgium met with success: he won that nation over—tactically.

What Next?

The next logical step for Germany would be to approach England and to pledge respect for Belgian neutrality. But while such a rapprochement would win even less confidence now than twenty-two years ago, the entire line-up is moving closer to the 1914 situation. Belgium's step, regardless of her attitude toward Geneva, has strengthened Germany, has brought France and Russia

closer together, and in the near future will probably have a similar effect on Franco-British relations. The fact that there is no hint yet that Belgium plans to withdraw from the League or to weaken her obligations under the Covenant makes the situation even more complicated—for as long as Belgium stands by the covenant, the doors remain open for the French and British to operate militarily through Belgium against Germany. Her step, however, may be the beginning of a concentrated move by small nations who claim armed protection without having to bear any burden themselves. The Netherlands, the Baltic and Scandinavian countries may follow the Belgian lead by asking that their borders be protected from invasion without continuing present obligations as League members, under which they must go to the military defense of others.

Yet, as 1936 drew to a close, Great Britain sprang a surprise, adding to the general confusion in the continental situation. On November 10, Sir Samuel Hoare, First Lord of the Admiralty, stated in the House of Commons that England had no commitments comparable to those of 1914 which would compel her to send troops to the Continent in the event of another war. But two weeks later, on November 27, Foreign Secretary Anthony Eden again gave Belgium assurance of Great Britain's military support in the event of attack, and he coupled that promise with an unmistakable warning to Germany not to repeat her blunder of 1914 in thinking that Britain would not fight. The provocation for this warning was the fact that Joachim von Ribbentrop, German Ambassador to London, had assured Chancellor Hitler that Germany had nothing to fear from Britain. Therefore the situation does not differ materially from that in 1914.

Melancholy Outlook

Since the Continent in recent years has learned to think in terms of war rather than in terms of peace, these statements of Hoare and Eden have added to the feeling of uneasiness. Europe's disillusionment is complete. The trend is toward the return to pre-war diplomacy. The principle of collective security has received a mortal blow. A new Locarno is beyond the horizon of 1937. The League of Nations which failed to tame its big adversaries, Germany and Italy, may even fail to protect the interests of its small adherents—in addition to Ethiopia, traditionally neutral States like Switzerland and the Netherlands. They may become a "second Belgium."

To what does Belgium's "neutrality" actually amount? Weighing its advantages against its disadvantages, that little country's position in the concert of the nations remains unfortunate. Its neutrality proposition is a double-edged sword. Belgium did not want to be "the tail of the French kite" and immediately had to appropriate $100,000,000 for increased defenses. Whatever step that nation takes to minimize the danger of becoming once more the battlefield of a European conflict—over the Belgium of 1936 looms the fate of 1914.

The Crisis of The Little Entente

They all want to play safe—a game which seems to multiply the dangers

BY HUGO DE LAEHNE

IN THE year 1924—as a result of the peace treaties concluded in the vicinity of Paris—the Little Entente was formed. To this alliance in East Europe belong Yugoslavia, Rumania, and Czechoslovakia. All three emerged as victors from the World War; they partly came into existence by the division of the old Austro-Hungarian monarchy, and gained an undreamed increase of territory. Consequently, the original purpose of the Little Entente was not only to safeguard its new borders and possessions, but to mutually guarantee them. On this point the Little Entente was unanimous, and to this end, during the yearly conferences of the Little Entente, there were many discussions and negotiations to form a combined military front with uniformity in armaments, general staff, and military supervision. They intended to have a uniform economy and tariff policy. They went so far as to discuss at these conferences a uniform currency. And in political circles it was even heard that the Little Entente planned to take its place in the world as a homogeneous state, and, in view of its territorial acquisitions and increased population of more than fifty million, to assume the status of a great power.

The three countries of the Little Entente formed a military alliance with France which was partly responsible for their formation and huge territorial increase. And France placed large sums at their disposal for modern military equipment, referred to by the newspapers as "golden bullets." Thus in its League of Nations policy, the Little Entente always stood together and loyally followed the suggestions and wishes of its great ally, France.

As early as last summer however, during the recess of Parliament in Bucharest, it was rumored that certain important groups were dissatisfied with the foreign policy of Nicholas Titulescu, who had remained loyal to the alliance with France, and that these groups regarded an alliance with Poland and Germany as preferable. More particularly, members of the extreme right fascist circle—the Iron Guard and the Christian-National Goga Party—desired by this means to come into power, and with the help of strong propaganda gave the impression that they had won the King over to their cause. Octavian Goga, leader of the National Socialists had an audience with the King which lasted an hour and a half. Then he left for the Olympics in Berlin and grasped the opportunity to be received by Hitler, with whom he also had a long conversation.

The National Socialist press headlined these conferences to such an extent that the pro-French and the Government press found it advisable to point out that Rumania, as a neighbor of Russia, under no circumstances could afford a strongly pro-German party in power. They further pointed out that although one nation should not interfere with the affairs of another, a conflict with Russia was easily possible if Rumania should be ruled by such a pro-German party. How this would eventuate was regarded, perhaps, as of less importance than the simply stated possibility of a conflict provoked by the policies of radical rightist elements.

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TITULESCU: He liked France too much.

The Christian-Nationals replied to this that a broad interpretation of the existing alliance of the Little Entente and of the collective obligations under the League of Nations would show that Rumania must rush to the aid of Czechoslovakia if the latter, according to her treaty with Russia, became involved in a war with Germany. In this event, Rumanian territory would become the *Aufmarschgebiet* for the Russian Army. Red troops would march into Rumania and would consider it their first task to sovietize the Rumanian people. And this, so went the cry, would be the end of bourgeois Rumania.

Rumania's New Attitude

The Tatarescu Government decided to treat Rumania's obligations toward her partners in the Little Entente less rigorously and was anxious to free itself of all obligations tending to make Rumania a military partner of Soviet Russia.

This attitude developed with the ousting of Foreign Minister Titulescu who had adhered to the policy of close alliance with France and who, in the event of a crisis, was determined to combine the military power of the Soviet Union and the Little Entente with that of France.

Titulescu removed from the Cabinet, Premier George Tatarescu traveled strictly incognito to Belgrade to confer with his Yugoslav colleague, Prime Minister M. Stoyadinovitch, and win him over to the Rumanian viewpoint, i. e., that Rumania, although maintaining normal diplomatic relations with the Soviet Union, was not in a position, either in the interest of France, or in allegiance to Czechoslovakia, to involve herself to the advantage of Russia, and that under no circumstances would she permit the Russian Army to transgress her territory in the event of a European conflict. This position, however, stood more as a matter of principle than as effective policy as long as Rumania remained on amicable terms with France, and continued to be a member of an alliance whose strongest pillar, after all, was Russia. To find a solution to this paradoxical situation, Tatarescu turned to Yugoslavia. He approached the right government, for Yugoslavia is the only country in Europe which has not yet recognized the Soviet Republic. The Yugoslavian royal house was closely related to the family of the murdered Czar, and the horror of his assassination had not been forgotten. It is also interesting to note that the last envoy of the murdered Czar still resides in the Russian legation in Belgrade—as an individual, of course, and a political emigrant.

At the Belgrade conferences Tatarescu's position was strengthened, not only by this feeling directed against Soviet Russia, but also by Belgium's decision, which seemed to aid the new Rumanian policy. If Belgium, in the face of a Franco-Russian alliance, dared declare that she could take no risks for her neighbor and ally, Rumania need not hesitate to make a similar statement. And if the Belgian King could declare that Belgium's foreign policy was solely in the interest of Belgium, then Rumania could do likewise.

This viewpoint was accepted by Belgrade. It was resolved that, as the Franco-Soviet alliance had resulted in the Belgian declaration, the countries of the Little Entente should also free themselves of any policy whose aim was to combine its mili-

tary power with that of France and the Soviet Republic.

Further Complications

The problems of the two small Entente states were increased by the Berlin conferences between Germany and Italy at the end of October, which later developed into a definite East European policy of the two great powers. Thus a wall was created from the northern to the southern part of Europe which would isolate France from her allies, particularly Yugoslavia and Rumania. Tatarescu and Stoyadinovitch sought for this reason to find a way out of this isolation for their respective countries. Both were unanimous in the necessity for a greater neutrality. They do not wish to leave France in the lurch, but hope by their definite neutrality toward Soviet Russia to further advantageously their relationship with Germany and Italy. At the end of October, King Carol II of Rumania left for Prague. His mission was to acquaint Dr. Eduard Benes, President of the Czechoslovak Republic, with the agreements reached in Belgrade.

It is necessary at this point to know the position of Czechoslovakia on the safeguarding of her boundaries. Czechoslovakia has three military alliances to protect her borders: with Russia, with the Little Entente, and with France:

a) If Germany attacks Russia, Czechoslovakia must aid the Soviet but only if France gives military aid to Russia.

b) The treaty with the Little Entente is only one of mutual assistance if Czechoslovakia should be faced by an attack from the Danube basin. This alliance is therefore not in accord with the Russo-Czechoslovakian alliance, and also does not concern an attack on the part of Germany and the necessary intervention of Czechoslovakia. In this case, the pact does not provide for any intervention of the Little Entente, and the latter as such would not take part in the conflict.

c) The treaty with France compels Czechoslovakia, in the event of an attack on France by Germany, to attack Germany

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TATARESCU: Anything but Russia.

from the rear, supported by the military aid of the two other countries of the Little Entente.

How Safe, Czechoslovakia?

It is obvious, in view of the foregoing, that Czechoslovakia may well ask herself whether she can ever consider her people safe. As the European situation stands today, it is not at all improbable that Germany, sooner or later, plans an offensive against Russia, and in this case, assuming that France goes to Russia's aid, Czechoslovakia must also act. Thus Czechoslovakia is open to a German invasion without being able to count on the support of her allies in the Little Entente.

On October 28, 1936, King Carol arrived in Prague. The official newspaper of the Czechoslovakian government greeted the ruler with the following words:

"Carol II has entered Czechoslovakian soil to seal Rumania's loyalty to the aims of the Little Entente. Loyalty to the Little Entente was unanimous insofar as the safeguarding of the borders formed by the peace treaties was concerned. We refuse to give back a single cubic inch of land. In this point all three members of the Little Entente were agreed. But now we are concerned with another problem. Two great

powers are preparing for war. On one side stand National Socialism and fascism—on the other side, bolshevism. There will be few fortunate European countries who will be spared in this war, least of all Rumania. Rumania is the next-door neighbor of Russia and must make her choice."

The words were very clear. Czechoslovakia seeks to gain Rumania's, and the little Entente's, coöperation in her alliance with Russia. But Rumania and Yugoslavia want no obligations toward Russia. The conference in Prague was concerned mainly with this issue.

It seems that a "compromise" has been reached. Czechoslovakia adheres to her alliance with Russia, and Rumania remains allied with Czechoslovakia—without any obligation, however, toward Russia. In short, the crisis remains and is concentrated on the Russian question: What shall be the attitude of Rumania and Yugoslavia toward Czechoslovakia which is joined in an alliance with Russia?

It was impossible to hope that by the end of October this problem would be solved in Prague and quiet again reign in the Little Entente. As long as Czechoslovakia is chained by a military alliance to Russia, the Little Entente will continue to vacillate. And the close military unity of the Little Entente, also a matter of discussion at Prague, remains only a topic of conversation.

Gasoline for Yugoslavia

The visit of Premier Stoyadinovitch [of Yugoslavia] has been an important event for the consolidation of Yugoslav-Rumanian relations. The identity of [our] aims in foreign policy is set forth in this motto: peace and security. * * * [The visit] has made possible the examination and quick solution of a series of questions interesting both countries * * * How to supply Yugoslavia with gasoline is one. Yugoslavia lacks petroleum for its Army, Aviation Corps and Navy. A preliminary agreement has now been signed [by Rumania] with Yugoslavia by which all these arms of the service are now assured their supply of gasoline.

—Statement to the press by Premier Tatarescu of Rumania, made public by the Avala News Agency, Bucharest, September 10, 1936.

KING GEORGE VI

ONCE Edward, then Prince of Wales, observed that his younger brother would make a better king than he would. Whether Britons were ready to share this opinion remained to be seen last month when that brother succeeded Edward as King George VI of Great Britain. There were signs, however, of his growing popularity, and Britons, once fearful of his publicity value, saw newspaper possibilities in his charming little daughter, the ten-year-old Princess Elizabeth.

Always contrasting him to Edward, American newspapers at first made much of the new King's "stand-offishness," his seeming conciousness of royal elevation. But whatever the impression and the stories to confirm it, the King—just "Bertie" to his intimates—once confided to an admirer that he was really "a very ordinary person when people let me be one."

Although his athletic exploits were far less publicized than Edward's, the shy young monarch was easily the superior athlete. An accomplished horseman, he also made his mark in tennis and cricket.

His chief failing seemed to be as public speaker; he stuttered badly. Embarrassed once by a deficient microphone, he stammered: "The d-d-damned thing d-d-doesn't w-w-work." But at that moment, it did, and the unfortunate remark was blared out to the waiting throng. But Britain's future king carried on. On another occasion, he is said to have stuttered so badly in introducing the American Ambassador that one observer remarked that the Duke "could scarcely bring himself to admit the man's nationality." Today, however, the speech defect is said to have been cured.

The King was born on December 14, 1895. In 1923, he married Lady Elizabeth Bowes-Lyon, youngest daughter of the Earl and Countess of Strathmore. He visited this country once—in 1913, when he stopped at Niagara Falls incognito in the company of sixty cadets from the British vessel Cumberland, which was on a training cruise.

Times Wide World

International News Photo

ITALY'S DUCE: *He is "thick set and bald, growing stouter in spite of his dieting . . . near-sighted, close-lipped, suspicious of all . . ."*

MUSSOLINI

To "live dangerously" is his glory. But he thinks he will die in bed.

BY IGNATIUS PHAYRE

FROM cadging crusts and coppers in the street, going often twenty-four hours without food as an exile in Lausanne, to a political sway above his own King's—here is the incredible story of Benito Mussolini.

Look at a shivering creature, homeless and starving, crouching under a river bridge at dead of night to escape the driving rain. Forced out at last, despairing and chilled, he roams the silent streets until he spies a big packing-case, end up in a printer's yard. Now he is over the wall, to kennel himself in this shelter. A policeman's paw shakes him roughly before dawn. Then off to a prison cell, there to be fingerprinted as a felon who has already been ten times in jail! But what of that felon today?

I talked with Signor Mussolini the day after his supreme success in conquering an age-old empire. Greater now than the Royal House of Savoy, with vast armies and navies moving at his nod, and 45,000,000 people cheering him on, the former "hobo" bade me welcome.

"I long to make a masterwork of my life," he had once said.

The night before, I had seen this rounded off. Il Duce, rigid and flushed, strode across the sixty feet or so of this noble "Hall of the World's Map", out on to the balcony. Below, a sea of human faces hailed him in frenzied triumph. Was he not the carver of a virgin "Roman" realm in Africa?

I reminded him of the proud words he had flung at the Chamber in his very first *Discorso:* "My hand is on the helm of our Ship of State. And henceforth I shall yield it to nobody!"

Intensely superstitious, this ever-lucky "Sunday child" told me of his fateful "star." The only science that really interests him is astrology.

"After all," he acknowledged, "there must be *something* in that age-old lore. Remember those Bible star-gazers, and the court sorcerers who worked out life-steerage for Babylonian Kings? Their dreams, and all the signs and omens of war . . . ."

Long ago as a boy, in that God-forsaken *borgata* of Dovia, Benito came under the spell of Giovanna, the old village witch. Lovely when young (or so she said), that aged crone taught strange lessons to the passionate lad: how to attract and dominate girls, how to tell fortunes from a pack of cards, or the flight of birds in field and wood; how to read his own, or another's fate in phases of the moon, or the motions of planets that burned in the soft Italian night. From that day to this, faith in his own "star" is Mussolini's only religion. Sixteen times already have attempts been made upon his life. He can laugh at these as he tells of their shocks and thrills.

"My enemies," he confided in me (and they come from far and near), "hold that the only way to destroy Fascism is to kill its *Duce.* Yet as a soldier I must be ready to run *any* risk. Besides, I feel in me something that exults in such episodes. To 'live dangerously' is my glory. So the bullets and bombs have passed me by; I'm convinced I shall die in my bed when my work for the Greater Italy is done."

A sad, lonely figure, for all his glory is Mussolini—thick-set and bald, growing stouter in spite of his dieting. He is near-sighted, close-lipped, suspicious of all, and jealous of likely rivals, too. He has great, glowing eyes and the massive jaw of will-power which will not be denied. Here

in the Sala del Mappamondo (and what monarch has a more stately audience-chamber?), I sat facing him in a low morocco armchair. Between us spread a black oak table, now piled high with papers like a city editor's desk. Beside him lay a plate of grapes and peaches under a green-shaded electric lamp. I remarked on the vastness of this ancient hall: we seemed to be lost in it.

"I can't bear to be shut in," Mussolini owned in his impetuous way.

All those jailings behind bolts and bars had left a life-long mark. So Mussolini remains a claustrophobe. For this reason does he crave dizzy speeding, whether in an automobile at a hundred miles an hour, or in his own aeroplane up to three hundred or more.

"I'm all for motion," he told me between the sips and bites of a hasty lunch. "To sit still, or simply to breathe, instead of living --*that* is simply hell to me!"

And how it irks him to be followed and guarded, when he has a "star" to watch over him! Mussolini chuckles over yarns in the foreign press about his "secret" trigger-men, or the alleged dragging of city drains for possible hidden bombs; how he sleeps in a different place every night for fear of furtive assassins.

"I have only one bedroom," he assured me. "It's in the Villa Torlonia, as you know—out there in our Roman suburbs. I race here and there as I please, on horse-back or motorcycle. Why, if I were worried over my personal safety, I should feel ashamed!"

Thousands of suspects are today drearily exiled in remote isles of the Middle Sea. Then there are the "antis", banished to Austria and France. Plotters against the Duce's regime have been traced as far away as New York, Buenos Aires, and even Sao Paulo in Brazil. We talked over his marvelous escapes from these would-be killers, and how he passed through these ordeals to win political victories, unbroken and continuous, from the famous "March on Rome" to the proclamation of "his" barbarous Empire in Africa.

Cynics at home and abroad have their own versions of Il Duce's "miraculous" immunity. Here is an instance: It was in lovely Bologna that he opened a sports stadium to seat 50,000 people. When all was done, he drove off to the station to catch the train for Forli on a visit to Donna Rachele, his "invisible" wife, and their younger children, Romano and Anna Maria.

With Mussolini that day rode Major Buonaccorsi, as well as Marshal Italo Balbo and Dino Grandi. As the cars whizzed down the Via Rizzoli, past frenzied crowds, a pale-faced boy whipped out an automatic and took point-blank aim.

"The shot rang out beside me," Signor Grandi later told me. "The ball seemed to strike Mussolini full on the breast. It even scorched the silk sash of the St. Maurizio Order he was wearing, then tore through the Mayor's coat, at last to drive into one of our car-panels."

This time the supposed slayer (there was some doubt of his identity) was pounced upon and lynched on the spot in a vengeful orgy of blood. Buonaccorsi drove his dagger through the lad's throat. Then a screeching mob all but tore the quivering body limb from limb in a hoarse din of curses. And finally the bearded Balbo shot every chamber of his revolver into the mangled, but still writhing form, where it lay in the gutter.

"*Doo-chay -- Doo-oo-chay*," came in screaming chorus from the crowd. "Are you hurt?"

"Be calm," Mussolini bade them. He stood upright in his car. "Nothing can hurt me!"

The bloody corpse of the lad, who was but sixteen, was left where it lay, whilst Mussolini sped on to the station and his private train. Even then one heard rumors that his 'heroic' pose was due—not so much to courage, as to the corselet of fine-jointed Ansaldo steel which covered his stocky torso from neck to hips, between his shirt and undervest!

Just a word about other would-be assassins: There was Tito Zamboni. "A Socialist tool," Mussolini called him, "who

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MUSSOLINI: "Behind the steel plow stand the muzzles of steel that vomit death at all who block our way to greatness."

got two checks of 150,000 francs each from his Czechoslovak backers. With a fine Austrian rifle and telescopic sight, that fellow lay in wait for me on the balcony of the Hotel Dragoni, in front of the Palazzo Chigi which is my Foreign Office."

Then there was the Hon. Violet Gibson, Lord Ashbourne's sister, whose shot so disfigured the nose of Italy's idol that it displayed strips of plaster the next day when he set sail for Tripoli with his war fleet. Again there was the incident of the shrapnel bomb which was hurled at his car in the Piazza Porta Pia; it left eight groaning citizens in the road, horribly maimed amid the acrid smoke and fumes. Even an Italian banana-dealer of New York crossed the ocean to wipe out a *Capo del Governo* whose "star" has never yet failed to protect him. Chemicals, poison, and dynamite figured in other attempts—even an explosion in the sacred aisles of St. Peter's itself, while Mussolini was present at a crowded High Mass.

"I seem to scent coming danger as well as political events," he told me, with a sudden gleam in his deep, hypnotic eyes. As I write this, I can see him again shuffling out his pack of cards (kept at hand in a drawer of his enormous desk) to put high questions to the Fates.

Mussolini refers to Napoleon as his "soul-affinity." Both men were born under the same astrological sign—Leo the Lion. "I was a 'Sunday child,' " Il Duce reminded me. "And you'll remember how Goethe lays stress upon that babe's unfailing luck all through life?"

I may say that Il Duce marks the portents and highlights of all his heroes' careers: Caesar, Machiavelli, Bismarck, Cavour, and Crispi. He likes to make contacts, even with relics of the warriors and statesmen he admires. Thus at the Stresa Conference, held in secret on romantic Isola Bella in the Lago Maggiore, he made a point of sleeping in the bed which Napoleon used in the Villa Borromeo on the eve of the Battle of Marengo. But Il Duce's hidden

ways of wooing success for himself are too many to be counted.

"It's an ingrained habit of mine," he laughed. "I got it from that old witch in my youth of gusty passions. She'd 'read' my cut hands after each school and street fight. Giovanna cast my horoscope, too, and foretold with uncanny flair the lurid years that lay ahead of me. I stood in awe of Giovanna—and of her alone. She insisted that *everything* would come my way—excepting 'the Gold of Love.'"

How this strong man controlled the "call of blood" and set a high career above any woman's kisses is a striking trait in his character. His views on the gentler sex are well known in Rome. "Political women", he holds in scorn; he will have none of them in public life. Motherhood he reveres, if only as a means of providing his New Italy with hosts of soldiers.

"We must have arms for ten million men," he declared, "and fighting airplanes to obscure the sun!"

From the moment he left a squalid home to take a teacher's job, all the girls were attracted by young Benito. Even when his King's call to power came to him in that Milan theater-box, and the "March on Rome" was an historic fact, great ladies pursued the new dictator. One noble Contessa fairly haunted his political receptions; he in turn drank the homage of aristocrats in her crowded salons. One day this lady rustled into his Foreign Office.

"Am I *never* to see you alone?" she cried, stamping her foot in anger. "I mean, without all these ushers, flunkies, and secretaries?"

"Signora," he replied coldly, "if you'll only call here at three o'clock in the morning you'll find me quite alone—and still up to my eyes in State affairs!" In that one-sided love-story you have the whole of Mussolini's attitude toward women.

As a rural teacher in Gualtieri, the mothers of pretty maids took fright and put a stop to moonlight walks which had become a scandal. A gay gambler was Mussolini then—always in debt and singing amorous ballads to his own guitar amid a group of adoring girls. His last day in that small-town school was a festive riot, winding up with a reckless flourish in chalk on the scholars' blackboard: "By sticking to it, I shall get to the top."

In his leisure hours today (how few they are!) Mussolini dwells on his vagabond days. Who would believe that he once paid his rent by telling fortunes? That was at Annemasse in France. Teaching, and even manual labor, had poor results, so one night, sliding his pack of cards over his landlady's greasy table, he began to "deal in her future"—so that Madame's anxiety about his rent arrears melted into giggles of wonder and delight! Then she called in her neighbors to have *their* fate foretold. Even the French Sous-Préfet's wife took her turn at the cards.

No wonder the exile found plots for novels like "The Cardinal's Mistress", no less than inspiration for sonnets and playlets based on his own adventures.

When I was in Rome recently, Mussolini's friend and biographer, Margharita Sarfatti, told me of an opera libretto which Il Duce was writing, "founded on my own stern trials, from boyhood to the creation of our overseas Empire in Ethiopia."

Very curious are Mussolini's personal aversions. These include cats, much handshaking, and all signs of advancing age. Thus he objected to Marshal Balbo's beard, and was grossly offended when that gallant airman remarked that the Chief himself was already quite bald!

Upon death in any form, or even the suggestion of it, Il Duce hates to dwell, and will abruptly turn the subject if a caller speaks of it. I was with him one summer morning in the lovely terraced gardens of the Villa Torlonia after his one and only nervous breakdown. That was due to the national upheaval which followed the savage murder and mutilation of his most dangerous rival, the Socialist millionaire and Deputy, Giacomo Matteotti.

That horrible crime shook Italy from end to end, and for months Mussolini's downfall hung in the balance. So his doctors ordered him some weeks of rest. When he

was about again, the Duce was a dejected man. Sunk in gloomy reverie, he stood beside me in a rose-arbor.

"To think," he whispered at last, almost in tears, "that one day I, too, shall lie under the grass. Then these flowers will draw life from what was Benito Mussolini!" The man's energy is so tireless that he cannot conceive the state of 'non-being.'

* * *

Long ago he turned away from women altogether, and here I may cite some of his sayings on this score:—

"The more virile a man's nature is, and the more gifted he be to attain his true life's goal, the less need has he of the recourse to woman's charms for delight and new impetus to victory."

"I'll agree that they're among life's luxuries. Pleasant interludes are our love affairs. But after all, the gentler sex *are* inferior to us in mind, as they are in body."

Lastly—and most startling of all:—

"In their intimate relations men and women must needs live a tissue of lies. For that reason do I dwell entirely alone, with even wife and family kept apart from my endless labors."

* * *

We all know this man's power to mould and shape the minds of millions to his own will, especially in the military way.

"Even little children," I said to him one day, "you are training for war!" His reply came like a shot:

"I'm getting them ready for the battle of life—and therefore, for Italy's defense and destiny."

Out there on the Pontine Marshes, where he created new "farm-cities" out of pestilential swamps, I saw him stage a dramatic scene. With his own hands he drove the first furrow, then paused to let the plough fall sideways. Then he began to speak in ringing tones. After each forceful sentence, Il Duce stopped. And without a moment's warning we were deafened by the crash of artillery. The moral of this he drove home to us: "Behind the steel plough stand the muzzles of steel that vomit death at all who block our way to greatness!"

One day I discussed with him these theatrical gestures which so delight his people of all grades.

"Can a dictator ever be really loved?" I asked.

"He can," was the firm reply.

"The crowd will always lean to strong men: In that way the crowd is like a woman!"

He prides himself much on his powers as an "artist" to shape the popular mind to his own ideals.

"There must be music and banners to kindle enthusiasm. The mob," he said, "is loose and dispersed as a shoal of fish until they're well disciplined and led. They don't need to *know;* but the faith that moves mountains must flash from the orator's soul into their own, like the radio that can excite the world with a mighty thought. Really, the tendency of our modern folks to *believe* is . . . . quite past belief!"

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70,000,000 FAMILIES, or approximately 320,000,000 people, live or try to live, on the land in China. Yet, for many years the country has had to import agricultural products. At top, Chinese peasant farmers are shown at their day-long task of working irrigation paddles to water a rice field. Modern methods are on the way, however, and below, an American tractor is shown on the job in China.

CHINA'S PROGRESS

AN AWAKENING UNDER THE SHADOW OF NIPPON

By Tang Leang-Li

HAVING just returned to China from a five months' trip around the world—about one fifth of which period was spent in the United States—I realize more vividly than ever how far my country lags behind the West, and what a tremendous amount of work has to be done before China can consider herself even relatively modernized. Certainly, we are moving forward, and in some respects and places quite rapidly, but how much that urgently needs doing has not yet even been started! Our agrarian population of 320 millions (about 80% of the total population) is scattered over an area larger than the United States, extending from the chilly Asiatic steppes and deserts (with an annual rainfall of about 12 inches) to the steamy sub-tropical zones with four times that precipitation. And in all this vast area of the Republic, covering approximately 4,000,000 square miles, there are less than 5,000 miles of railway in operation! That China has been so slow in getting into line with the rest of the world is largely, but not entirely, her own fault. Too much time, effort, and money, to say nothing of lives, have been wasted in civil war, especially since the establishment of the Republic in 1911, but happily a great change has come about during the last few years.

China today is more solidly united in support of the National Government than it has been at any time. The main reaction to the Manchuria incident of 1931 has been to arouse the whole nation to a vivid sense of the grave dangers of disunity. China knows today what only a few understood twenty years ago—that unless the provinces within the Republic stand together in mutual support of the Government as closely as do the United States in their relations with Washington, there is no hope either of peace within the Republic or of prosperity for its people. Except for the dark shadow falling across North China—the shadow of a neighboring Power which professes deep friendship but chooses strange ways of demonstrating its feeling—the Republic today has reached a gratifying stage of unification: most of the war-lords whose jealous rivalries kept the country in turmoil have disappeared; a National People's Assembly in Nanking has been called to consider the draft Constitution of the Republic. Politically, then, we can claim that China is much stronger today than at the start five years ago of the Japanese advance into Manchuria. Militarily, however, China is in the uncomfortable position of standing between two immensely powerful neighbors whose resources in men and material make her defensive preparations absurdly inadequate in an emergency.

National Finance

In November 1935, the Government took the bold step of abandoning silver as the base of China's currency, and by nationalizing stocks of the metal sought to exercise control of exchange which would stabilize the dollar. One result of this has been the disappearance of one of the largest exchange-markets in the world—Shanghai. Most of this business was purely specula-

tive, but with stabilization of China's currency there is no scope for speculation. Bankers, brokers, and gamblers no longer derive the greater part of their income from exchange operations, and expert foreign observers express confidence in the continued stability of China's managed currency. Among other things which caused doubt last November about the success of the scheme was the fact that, owing to the enormous excess of imports every year, a large amount of foreign currency was required, but during the first half of 1936 imports had declined by nearly $86,500,000 (Chinese currency) while exports increased by over $73,000,000—a decrease of nearly 16% and an increase of 28% respectively, compared with the first half of 1935. This means a very substantial easing of the situation in balancing international trade commitments, and there is reason to believe that this year the adverse balance will be substantially smaller than for 1936. This new trend in China's foreign trade will make it easier for the Government to carry out its plans for currency control, and if the Chinese dollar can be kept steady—there is no obvious reason why it should not remain stabilized, now that the early difficulties have been overcome—the general confidence which has been shown at home and abroad in the Government's plans will be fully confirmed.

The budget for 1936-7 will entail new borrowing to the extent of $125,000,000 in order to balance at about $976,600,000, but nearly $160,000,000 is devoted to capital expenditure in the form of various subsidies and reconstruction enterprises. The borrowing necessary is for the financing of State undertakings of various kinds, and may be regarded therefore as productive investment. Military expenses unfortunately figure very largely in the budget (32%), with loan services taking 24%, but obvious circumstances make it impossible to look for any reduction in China's expenditure on national defense. The only consolation we have is that 53 millions is allowed in the budget for reconstruction work, as against 36 millions in the national balance-sheet for 1935-6.

Happily, we have gone through 1936 without any of those calamities which so frequently overwhelm China in the form of flood or drought; the weather generally was favorable, and so 1936 crops were very good. It was estimated that the purchasing power of the agricultural community would be increased by between $100,000,000 and $150,000,000—a lot of money in China. Another encouraging news item comes from the Ministry of Finance—that the total amount of the savings accounts in 76 Chinese banks during the first six months of 1936 aggregated more than $491,900,000. This sum represents an increase of approximately $56,600,000 over the total savings deposits at the end of 1935.

Agricultural Improvements

When it is realized that 70 million families aggregating more than 320 million men, women, and children, are living on the land, it becomes obvious that China's industry is still overwhelmingly agricultural, and that the nation's progress depends very largely upon the development of primary production. For many years past it has been necessary to import rice and wheat—the country has been unable to live on the land. The absence or inadequacy of transport facilities partly explains this paradox; bumper crops in one part of the country could not be carried to places where famine had followed a drought or flood. The great development of road-construction—especially of inter-provincial highways, capable of carrying modern mechanical transport—during the last four years is helping to remove this anomaly, while the building of granaries for storing the crops of "fat" years against the coming of "lean" ones will also assist in making China more self-supporting. Imports of cereals and flour into Shanghai for the first half of 1936 amounted to less than $14,000,000, whereas for the corresponding period in 1935 the import was nearly $69,000,000. And if crops this year come up to expectation, there will be very

little rice or wheat imported into this country.

The National Government, in cooperation with the provincial authorities, is making strenuous efforts to make China self-supporting in the matter of foodstuffs. Improved qualities of seed are being distributed to farmers; methods of fertilizing are being improved; protective measures against insect pests are being carried out systematically; the National Agricultural Research Bureau has a special department devoted to the improvement of rice and wheat crops, and the work of experimental farms under its direction are producing excellent results. In China it is proverbial that anyone can learn to be a farmer simply by doing just as his neighbor does; and for several thousand years he has been doing just as his father did before him! New ideas, however, are being taken up by the farming population so far as their resources permit, and in this connection the rural cooperative societies, assisted by the leading banks, are making it possible for the farmer to raise a loan without being subjected to usury. As for new ideas—using the word "new" as applied to conditions in China—one of the latest innovations is a mechanical thresher, capable of handling wheat, kaoliang, and beans. One type, operated by a treadle, costs about $20; another, worked by a 5-horse-power petrol-engine, costs $100. Such toys would amuse an American farmer, but in China they represent the beginning of an entirely new era, and official demonstrations are to be given in the wheat-growing provinces to show how mechanical devices can lighten the farmer's labor and increase his output.

Mention already has been made of the good cereal crops last year, and the cotton-picking was expected to prove the largest for twenty years past. Both acreage and output represent an increase of 100% over the 1935 figures, and the crop in the twelve chief cotton-growing provinces was expected to reach more than 16 million quintals. Altogether, it can be said that the outlook for agriculture is brighter today than ever, and with plans for raising both the production and quality of tea, cotton, and wood-oil already being effected, there is every reason to hope that the next few years will see a tremendous improvement in the prosperity of China's peasantry.

New Industrial Ventures

Modern manufacturing in China is still mostly centered in Shanghai, but many new enterprises have been started in other parts of the country during the past few years, and this healthy process of decentralization is likely to be encouraged by the National People's Economic Reconstruction Movement, sponsored by General Chiang Kai-Shek, President of the Executive Yuan. The object is to establish effective cooperative contact among the Government, local authorities, and the general public in the development of productive enterprises. Aimed specifically at encouraging the wider use of Chinese products, primary and manufactured, the movement has branches in different provinces and municipalities which are in direct touch with the Government through a General Committee in Nanking, which body will promote various projects for economic reconstruction, train expert advisers in such matters, study and develop local industrial conditions—especially with a view to the special products of certain districts—and generally promote national productivity.

It must be frankly confessed that many early ventures in the industrial field proved disastrous, due largely to lax methods of management and insufficient capital, and also to the long period of civil unrest in China which followed the end of the business "boom" experienced during the World War. The cotton industry today is suffering seriously from intense Japanese competition, especially in North China; the silk industry has suffered keenly from decreased foreign demand, due to declining purchasing-power and to the wider use of rayon; other less-important industrial enterprises in China have felt the combined effects of keen foreign competition—some of it definitely contraband—and the in-

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BRAND NEW: During the last five years, the Chinese Government has devoted much money and initiative to education. A new school at Hsinking is shown above.

ability of the agrarian community to buy, owing to depressed agricultural conditions. Chinese industrial enterprises for the most part, were established to serve the domestic market, and with that market severely depressed, and with keen competition to meet from expertly managed and strongly financed foreign factories established in China, many of our manufacturers have been forced out of business.

During the last few months, however, there have been many signs of improvement; the match industry has been reorganized and measures taken to avoid cut-throat competition; the sugar industry is being similarly overhauled with a view to increasing production and eliminating wasteful rivalry; similar measures are being taken in regard to coal-mining; and new industries are being cautiously started.

One of the most successful new enterprises is the alcohol distillery established in 1935 in Shanghai as a joint State and private concern with a productive capacity of 6,000 gallons a day. The demand for alcohol for industrial purposes is steadily increasing, and the Shanghai factory has been so designed that its output readily can be doubled when occasion arises.

Another important undertaking about to be started is a Sino-German scheme for assembling, and later manufacturing, oil-burning motor-units to the number of 100 vehicles a month. The plant is to be imported and German experts will superintend its operation for five years, after which, it is anticipated, the entire process will become a wholly domestic industry.

Visitors passing through Shanghai who visit the big department stores—some of which are stocked with Chinese-made goods exclusively—are surprised at the wide range of these manufactures, as well as their low price and good quality. With the recent improvement in rural economy there will be an increased demand for factory products among the agricultural community, and this in turn should lead to that satisfactory balance between industrial output and enhanced buying ability which

is so essential for general economic progress. A local newspaper has just confirmed this impression by stating that the output of Chinese factories in Shanghai has increased by about 30% during the first seven months of 1936 as compared with the corresponding period of 1935. Sales of manufactured goods have increased sharply, and there are now 12 national products emporiums in various provinces and municipalities.

Schooling Gains

There are other directions in which China is slowly, but surely, moving forward. Education is perhaps the most important. The cinema and radio are being used to supplement the schools in bringing education within reach of the masses. Illiteracy has been a great obstacle to progress; widespread ignorance has made the work of arousing popular interest in plans of national importance most difficult. During the last few years the Government has devoted much money and initiative to educative work, not only for children, but for adults who, when young, had not the opportunities for learning now being made available. The budget provides for the establishment of schools which will give 12 million illiterate grownups and children a chance to learn reading and writing. More than $12,000,000 is earmarked for "special education", including the establishment in Nanking of a model vocational school, where teachers will be trained before being sent out to local vocational institutions in different parts of the country. Physical culture is also being given close attention by educational authorities. The amount earmarked in the 1936-7 budget for education, more than $44,000,000, was an increase of nearly seven millions over the previous year's estimates, but in addition to this expenditure by the National Government the various provincial administrations have their own educational programs, supported by local tax revenues.

Great attention is being paid to all branches of public health work—another phase of administrative effort which was wholly neglected in days gone by. Housing schemes for the poor are being carried out in many of the provincial capitals; water-supply and drainage systems are being provided in the big cities; and power-stations are being built to supply electricity for lighting and motive purposes—including street-car systems. The National Health Administration Service, which costs the nation more than a million dollars annually, deals with the prevention of contagious disease and the training of doctors, nurses, and others for public health work.

The National Economic Council has spent, and is spending, millions of dollars annually on conservancy-work, the object of which is to fight both flood and drought by strengthening dykes and providing sluices by which surplus water can be diverted and used to irrigate large, arid areas which now stand idle. The budget provides for the expenditure of some 15 million dollars on conservancy work, and nearly four millions on building new highways—this Government grant being in addition to local expenditure on road development. Until 1913 there was not a modern highway to be found in China; today there are 62,000 miles of good roads.

The rapid expansion of the postal service is another indication of progress. Thirty years ago only 10 million pieces of mail were handled; in 1922 the total had increased to 426 million pieces, and in 1932, to 837 million pieces. Postal rates are among the cheapest in the world, newspapers can be sent in bulk for a distance of over 1,000 miles at the rate of 1 cent per kilo (roughly, one U.S. cent for 7 lbs.). Mail is carried by air and by courier (sometimes using cycles and horses), by river-steamers, rail, and on 12,000 miles of motor-routes. Postal routes of various kinds cover 300,000 miles; post offices, sub-offices, and agencies exceed 12,000 in number, with twice as many rural mail-boxes in districts too sparsely populated to warrant the establishment of a postal-agency. There are 60,000 miles of telegraph-line, with nearly 1,400 receiving and transmitting stations; radio services provide com-

munication between all parts of the Republic, and direct wireless communication is operating between China and the United States and Europe. Radiophone tests have been successful, and regular contact is expected before long with all important American and European cities. A network of long-distance telephones brings widely separated places into close contact; inter-provincial links are being built for the special purpose of bringing various public authorities into touch, not only with each other, but with the capital, and the broadcasting of news and official announcements from Nanking to all parts of the country is now a regular daily feature.

Space will allow of only one more reference—railway construction and the financial problems attached thereto. Many new lines are in course of construction, and the Canton-Hankow railway is now open, which brings South China into direct touch with Central and North China. During the long period of domestic disturbance, now happily at an end, China's railways became the playthings of rival warlords, with disastrous consequences to efficient management. Principal and interest on foreign loans have fallen in arrears to the amount of some $725,000,000, and more money is urgently needed to build new lines and bring the existing 5,000 miles up to a proper state of efficiency. The National Government during the last few years has given very serious attention to this matter of adjusting its obligations to foreign creditors, who, in turn, recognize that the difficulties to be faced are not entirely due to avoidable or controllable circumstances. Satisfactory terms have been arrived at for the adjustment of several foreign railway loans, and negotiations are going on for the settlement of others. Illustrative of the reaction on stock prices, it may be mentioned that whereas in 1932 the Lung-hai Railway loan stood at £5⅛, in 1935 it was quoted at £19½, and has recently risen to about £32 as a result of the announcement that a scheme for resumption of payments to bondholders was about to be put forward. The rehabilitation of railway credit is a very important phase of the economic reconstruction scheme of the National Government, and the foreign financial interests chiefly involved have shown a sympathetic understanding of the situation. It is a pleasure to put this fact on record, for China today needs foreign sympathy and help in her struggle for a free and independent national existence. We know the task before us is tremendous, but we are confident of its successful achievement if only we are left to work out our own salvation in our way and time. Our political objective is to provide, under a Republican Government, the greatest good for the greatest number of our citizens; our international objective is to live at peace with all the world. We have and desire no oversea colonies or dependencies; we have no ambition to extend our frontiers; we want simply to be left in peace while we solve our domestic problems, social and economic, to the best of our ability. For foreign assistance to that end we are grateful, reserving only the right to decide for ourselves whether the proffered help should be accepted and, if so, the right to say on what terms such co-operation is possible.

PENSIONS FOR THE BLIND

IS IT SECURITY AT THE COST OF SELF-RESPECT?

By Gabriel Farrell

IS BLINDNESS a sufficient reason for pensions from public funds, and is this social problem to be solved by relieving those without sight from economic need through money payments? The answers to these questions will determine the attitude of society to the sightless and will govern all future programs for the blind. Right answers, however, will not be easily reached, for two schools of thought seem to be deeply entrenched. One would answer "Yes", while the other will say emphatically "No."

If recent legislation is any criterion, it would seem as though, for the present, the "ayes" have it. Despite the efforts of those initiating the section in the Social Security Act pertaining to the blind, provision is restricted to "money payments to permanently blind individuals" and excludes permission to use funds under the act for diagnosis and restoration of vision, adjustment and vocational training, or prevention and home-teaching. The act authorizes Federal funds to reimburse States for one half of monies paid to blind individuals, providing the Federal grant shall not exceed $15 for each person.

While the original section called for three million dollars, the President recently has asked for eight million dollars for the current year. If appropriated, this sum will be doubled by the States. Accompanying the request was a statement that of the 100,000 blind persons in this country 32,000 are now receiving aid and that next year 64,000 will receive pensions averaging $20 a month. This means that the number of blind persons receiving financial aid will be doubled in one year and that two thirds of the blind will become beneficiaries of the Government. The significance of these figures lies not in the large number of persons involved nor in the ratio receiving relief, but in the tremendous increase in recent years.

Money payments to the blind are comparatively new in this country. The first legal provision was in 1888, when New York City made it possible for the blind to receive "donations." While Ohio initiated legislation for State aid in 1898, it was not until 1908 that the principle of relief from public funds for the blind as a class was definitely established. In a quarter of a century this principle has spread to 26 States and now through Federal subsidy it is the law of the whole land.

It is this provision for money payments to the blind as a legal right established by Federal legislation and funds that makes the questions raised at the beginning of this article of paramount importance, and impels me to give to them emphatic negative replies. And in doing so I claim to speak as one primarily and genuinely interested in blind people. Indeed, it is because of my faith in those without sight that I point out the peril of pensions which I foresee to be the possibility of being set aside from the economic life of the nation and isolated as beneficiaries of a paternalistic Government.

One hundred years ago Perkins Institution, with which I am associated, was founded in Watertown, Massachusetts, on a new principle—that the blind, through education, could take a contributory place in

THE AUTHOR: Gabriel Farrell, director of Perkins Institution for the Blind. M. E. Tracy, publisher of CURRENT HISTORY, is among the better-known graduates of the school.

our social and economic life. This principle transformed the status of those without sight from recipients of charity to self-respecting citizens. Along with the building up of a program of education which would sustain the blind in this status, we have labored to make the seeing world accept the blind man and his work, not because of his handicap, but because of the good quality of his handicraft. The record hows that we, and other schools for the lind guided by this principle, have sueeeded. Among our former students are nen and women in many professions and valks of life—lawyers, editors, authors, iusicians, and others equally successful in ie more humble vocations. Four of our eople have been knighted by foreign govnments. Men without sight have sat, and e sitting, in Congress.

It is equally true that some of our peoe have not succeeded (but what school is no failures?); and that many today are iemployed (as is the case among all workg people). In fact, here in Massachusetts one out of four blind adults is receiving State aid, but recent figures indicate that one out of six of the national population is receiving income from governmental sources. Temporary relief for the blind may be as necessary now as it is for so many non-handicapped people, but that is a different story from money payments to the blind assured by legislation as a permanent right.

Dr. Harry Best, whose book on *The Blind* is the accepted authority, in writing on ways of caring for the adult blind, states that the pension should be granted "only as a last resort to be accepted when all else has failed." Have we come to the last resort in caring for those without sight? This question is perplexing those who believe in the educability of the blind, and it is gravely disturbing to intelligent blind men and women everywhere. Acceptance of the pension as a right established by law for persons without sight upsets the principle for which schools like Perkins have fought for over a century. It may assure the sightless of security but it robs them of their self-respect.

The problem concerns educators of the blind because if this new attitude is to prevail, we may have to change our goal of equipping for contributory service to one which provides the mere rudiments of learning, emphasizing avocations to while away leisure hours, days, and lives. For such preparation we are not justified in continuing our present schools with their special methods and appliances and programs of study which bear comparison with the best school systems. But, over and above equipment and costs, is the undermining of ambition and the frustration of the desire of blind people to make places for themselves in the seeing world. Those of us who are charged with the responsibility of maintaining the educational principle of contribution and of building up a right attitude on the part of the seeing world toward the blind will not lightly suffer this change which would bring the plight of the blind back to where it was a century ago.

CAMPUS WALK: Upper school girls at Perkins Institution for the Blind at Watertown, Massachusetts, walk about the school's beautiful grounds in their free time. Here they are equipped to find their way in the world—sightless, but no objects of charity.

It will be seen that I am not unaware of the argument that it is our responsibility to keep our people from lowering their standards and from accepting pensions except as "a last resort"; but in a time when everyone seems to be motivated primarily by self-getting rather than self-giving, it is no easy task to hold the morale of a handicapped people above the level of those who possess all their faculties.

I am also aware of the claim that first thought in granting "money payments to permanently blind individuals" is to alleviate hardship among the adult blind. With 65% of those without sight over fifty years of age there is unquestioned need for financial aid in many cases. But this can be rendered through the provision for the aged in the Social Security Act without the necessity of setting the blind apart as a group. In fact, the aged blind are being transferred from blind relief to Old Age Pensions here in Massachusetts where the highest pensions in the country were paid in 1934.

Second thought, however, reveals the temptation to seek security without struggle and the opening of the door for special privilege to a group appealing to the public but who, in accord with ability and training, ought to be enabled to retain their self-respect by finding opportunity to render their share of service.

Making opportunity for the blind to use the training available and to render contributory service in the economic world lies beyond the field of education and cannot be provided by legislation, even though each session of Congress sees a batch of bills designed for that purpose. Such provision, moreover, would defeat the goal of the blind which is to find employment, not because they are blind, but because they are capable of doing the job. This recognition of their ability must come from the employers of labor. Until the depression made a surplus of workers I must say that enlightened employers in all parts of the country were generous in employing blind labor. Until recent years we have always

been able to place our trained graduates. Of course, among the blind there are unemployables, but this is not because of lack of sight, but through other physical or mental disqualifications. And our stand now is based upon our confidence in the ability of our people to work and our hope that conditions will so improve that handicapped labor will have the opportunity to demonstrate this ability.

Our fear, however, is that in the stress of the moment and through the trend toward social security, such generous provision for the blind will be made that it will be claimed as permanent and not considered temporary. The peril of this lies first, in the possibility that the incentive to work will be removed; and second, in the probability that employers' readiness to engage the blind will be reduced. The blind person will say, "I do not have to work, since I am entitled to a pension", and the employer will say, "I do not have to employ handicapped people because provision for their care is made through pensions, for which I pay through taxes." If this happens, the last state of the sightless will be worse than the first and the Social Security Act will be robbed of the good intentions of the legislators when they voted "aye" for the section providing money payments for the blind.

In writing as I do on this subject it must be understood that I am not objecting to the use of public funds in connection with blindness. Blindness is a social problem for which there must be social responsibility. This responsibility, however, is not well assumed when it satisfies itself with money payments to blind individuals. Large sums of money should be made available, but they should not be used entirely for pensions to individuals. Those now without sight should be cared for according to their incapacity to support themselves under general provision for disability or old age, but not solely because of their lack of sight.

However, there should be generous provision of public funds to control and reduce blindness. On the basis of figures quoted by Dr. Best, we could afford to spend annually fifty million dollars—the estimated cost of the loss of sight to the economic life of this nation each year—toward that end. And it would not be a futile expenditure because nearly three quarters of all blindness in this country can, and ought to be, prevented. Think what this would mean in terms of dollars, if you will, but do not overlook the hours of darkness to which thousands are doomed unless money is generously spent in the right way.

EGYPT SIGNS A TREATY

THE ENGLISH PACT—AND A WOMAN'S PART IN IT

By Pierre Crabites

THE Anglo-Egyptian Treaty, signed on August 26, 1936 and dedicated to "effective cooperation in preserving peace and ensuring the defense of their respective territories", bears the imprint of a woman. I refer to Saphia Hanem, the widow of Saad Zaghlul Pasha, the man whose magnetic leadership, contagious patriotism, and fervent eloquence called Egyptian nationalism into being.

Men had failed to bring England and Egypt together. The great Cromer, the lovable Allenby, the dynamic Lloyd, the silent Loraine had been unable to make the grade. Saroit Pasha, with his genius for constructive statesmanship; Zaghlul Pasha, with his unbroken hold upon the masses; Mohammed Mahmud Pasha, with his Oxford background; and Nahas Pasha in his first attempt, had proven themselves unequal to the task.

It was in no small measure because the Egyptians themselves could not get together that it had been impossible for Cromer, Allenby, Lloyd, and Loraine to do what was wrought by Sir Miles Lampson. The Egyptian statesmen who discussed matters with the predecessors of the present British High Commissioner found their mandate assailed by well-defined segments of Egyptian public opinion. They had to ride for a fall because they did not have a unanimous people back of them. And the agents of Downing Street who negotiated with them were naturally reluctant to play their last card because they were not certain that Egypt would abide by a pact which represented the work of a faction and not of the entire nation.

Of course, this generalization is open to the obvious criticism that Mussolini's descent upon Haile Selassie and the new alignments on the international chess boards differentiate 1936 from previous years. Due allowance made, however, for this auspicious conjunction of the planets, it took Saphia Hanem's keen sense of the realities of life, her hold upon the imagination of the Egyptian masses, and the veneration which the leaders of the dominant Egyptian political party entertain for her, for her driving power to create an Egyptian treaty delegation where all shades of opinion were given representation.

Concessions to Minority

Saphia Hanem knew that her deceased husband's followers represented at least 80% of the voting masses. But she had the broadness of vision to see that the defection of 20% was a major factor that had to be faced. She used her ingratiating smile, her indomitable will, her relentless logic to make Zaghlul Pasha's political heirs—the men who adore her as a woman and love her as a mother—give part of their power to this minority when she and they knew that in any electoral contests her party, the *Wafd*, could run this opposition off the boards. If there had been no Saphia Hanem in Egypt, several of my good friends, such as Ismail Sidky Pasha, Hilmy Issa Pasha, Abdel Fattah Yehia Pasha, in fact all the intellectual elite of the aristocratic minority would not have been sent to London as delegates. There would have been no treaty, because England would have held back.

MEDITERRANEAN
TOBRUCH
ES SOLLUM
ROSETTA
DAMIETTA
ALEXANDRIA
PORT SAID
EL HAMMAM
TANTA
ISMAILIA
CAIRO
SUEZ
FAYUM
SIWA
EL BAHARIYA
EL MINYA
MT. SINAI
EL FARAFRA
ASYÛT
EGYPT
QENA
ED DAKHLA
EL KHARGA
IDFU
ASWAN
(ASWAN DAM)
ESH SHEB
AUENAT
WADI HALFA
LIBYA
LIBYAN DESERT
ARABIAN DESERT
RED SEA
Nile
BEYROUTH
DAMASCUS
IRAQ
AMMAN
JERUSALEM
PALESTINE
TRANS-JORDAN
ARABIA
HEJAZ
MEDINA
MECCA
PORT SUDAN
ABU HAMED
KAREIMA
BERBER
TOKAR
ED DEBBA
ANGLO-EGYPTIAN SUDAN
FRENCH EQUATORIAL AFRICA
Atbara
ERITREA
SHENDI
ASMARA
KASSALA
BISCIA
KHARTOUM
ADUWA
WAD MEDANI
ETHIOPIA
EL OBEID
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0 50 100 200 300
SCALE OF STATUTE MILES
McDowell

The task was not easy, for the men with whom Saphia Hanem had to deal had minds of their own. Her husband had transmitted his mantle to fire-tested patriots who yielded to reason and not to coercion. Three of them—men whom I have known for far more than a decade—Moustafa Nahas Pasha, now Premier, Wacyf Boutras Ghali Pasha, and Makram Ebeid Pasha have stood before courts martial and have been condemned to death because their conception of duty did not harmonize with what was then the will of authorities, but their sentences were commuted. Nahas Pasha and Makram Pasha were exiled. Ghali Pasha was detained in prison, I think, for two years, and was released upon payment of a fine of £5000 ($25,000).

Men of such caliber are not puppets, and there were other factors serving to render Saphia Hanem's task still the more difficult. For one thing, factional feeling runs high in Egypt. Personal animosities spring up between political opponents. Moreover, bad blood existed between Nahas Pasha and Makram Ebeid Pasha on the one hand, and the various opposition leaders on the other.

It was no less a tribute to the patriotism of Nahas Pasha and Makram Pasha than to Saphia Hanem when the two men finally yielded to her persuasion and decided to share their honors with political opponents who had been their personal enemies and with whom they were at odds when Mussolini's African expedition made the moment propitious for Anglo-Egyptian negotiations. The two became the wheelhorses of the Egyptian treaty delegation.

Nahas Pasha is a Muslim. He was for years a Judge of the Egyptian Native Court of Appeals. Makram Ebeid Pasha is a Christian, educated under the auspices of the American Mission at Assuit, Upper Egypt. He speaks English with idiomatic ease, and is the only man whom I know who can hold an audience spell-bound in English, French, and Arabic. Fighters both, these two applied their combativeness to acquiring for Egypt the best possible terms from a Britain which saw that the moment had come to put an end to a situation in Egypt which was abnormal and pregnant with trouble.

In order that the nature of the difficulty confronting the Egyptian delegates may be understood, I shall devote a few hurried paragraphs to certain general explanations:

1. England has had an army of occupation in Egypt and has practically ruled the Valley of the Nile since 1882.

2. In that year Turkey was the nominal suzerain of Egypt but wielded little or no effective power.

3. England declared a Protectorate over Egypt in December, 1914.

4. By one of the treaties signed at the end of the Great War, Turkey renounced her overlordship over Egypt and England's Protectorate was duly recognized.

5. In February, 1922, England, by a unilateral declaration, brought her Protectorate to an end and declared Egypt "independent with reservations."

6. The British Army of Occupation remained, however, in Egypt, and British officials continued to hold many key-posts in the Egyptian civil service.

7. Egyptians chafed under the conditions attendant upon this "independence with reservations."

Matters would have been complicated enough if they had stopped right here. Egypt, nevertheless, had additional worries. They were born of the Capitulations. By this I mean that Egyptian independence, as you and I understand that term, was emasculated not only by England's presence in the Valley of the Nile but by the special privileges which, in Egypt, are the birthright of all foreigners.

Let me use an illustration: Americans, for example, whether residents or tourists, whether born in Egypt or in Kalamazoo, Michigan, are not amenable to Egyptian law. Egyptian courts cannot try them for crimes, misdemeanors or any infraction of the peace. They are, in such matters, answerable to their Consul. If they spend too much time at Shepheard's Bar, get full of good whiskey at inordinately high

Times Wide World

ONCE AN EXILE: Nahas Pasha (center), now Premier of Egypt, leads the Egyptian treaty delegation in London. A fire-tested patriot, he was once condemned to death because his conception of duty did not harmonize "with what was the will of authority." His sentence was commuted, however, to exile.

prices, and shoot up Cairo, they enjoy the same immunity from being fined by the local authorities which that Persian diplomatist, accredited to Washington, claimed to have when he had his encounter with the policeman in Maryland who sought to arrest him for speeding.

The Egyptians found themselves between the Scylla of the presence of these English troops and of English officials in so many key positions, and the Charybdis of the Capitulations. Both they considered, and still consider, an equal affront to their dignity and a like restraint upon their independence. They argued that the Capitulations not only offended their national pride but that they were an economic incumbus and thwarted their development, because they made the taxation of foreigners practically impossible.

I wish to make it perfectly clear that I am not expressing an opinion. I am simply recording what I know to be the Egyptian reaction to these Capitulations.

The whole strategy of Egyptian public opinion since the aftermath of the Great War brought a new mentality into the world, has been directed toward getting rid of both the English and of the Capitulations. The British themselves have anathematized the Capitulations. They do not seem, however, to have been unduly anxious for their abolition, apparently considering that the ideal state of affairs would be for the Powers to transfer their Capitulations to England and make her the sole trustee for these privileges.

The Egyptians have long since learned that they are powerless to force the Occident to give up the Capitulations. They

fear that the beneficiaries of these privileges will not recognize the validity of a unilateral abrogation. All this, reduced to the jargon of practical common sense, means that Egyptians are wise enough to know that they need England's help to get rid of what they consider an intolerable condition. They see that they must pay a price to Great Britain to have her turn the trick.

This point dominates any impartial analysis of what Nahas Pasha and Makram Ebeid Pasha accomplished at London. It shows why Saphia Hanem was so anxious to have an Anglo-Egyptian agreement. A price had to be paid to get the powers to do what Egypt wanted. England was the broker. Her commission, if I may so speak, for bringing pressure to bear upon Europe and America to give up their Capitulations was what it behooved these two statesmen and their colleagues to make as small as possible.

The pact discloses an article which reads as follows: "Art. XIII. His Majesty the King and Emperor recognizes that the capitulatory régime now existing in Egypt is no longer in accordance with the spirit of the times and with the present state of Egypt. His Majesty the King of Egypt desires the abolition of this régime without delay."

By an annex to this article, England promises Egypt that she "will collaborate actively with the Egyptian Government" by using "every influence with the Powers exercising capitulatory rights in Egypt" to have them renounce their privileges.

Thus Nahas Pasha, Makram Ebeid Pasha, and their colleagues evolved a way of doing away with their Charybdis. Did they steer into Scylla in so doing? I shall let the facts answer the question. Of course, they had to pay toll to Scylla, but was it commensurate with the value of the cargo? Was the brokerage, which the honest broker exacted so steep that they should have refused to pay it?

First, let us recall that Mussolini's rape of Abyssinia was more than an object lesson to Egyptians. They looked upon it as being a menace. They may have been mistaken; but I am endeavoring to follow the viewpoint of the Egyptians, and I have no hesitancy in saying that they considered the Italian attack upon Haile Selassie as an act of brigandage; they thought that if England had not been in Egypt, their fertile Nile Valley and not the plains adjacent to Addis Ababa, would have been the Italian objective.

This thought strengthened the belief, not only of Nahas Pasha and Makram Ebeid Pasha and the leaders of the *Wafd*, but of all Egyptian political elements, that sooner or later they would have to come to terms with some European power to protect them against wanton aggression. This put them in a frame of mind to do business with the English, whom they knew. It presented England in a new rôle. It engendered the conception of a mutuality of interest. It gave Egypt a chance:

1. to bring about the abolition of the Capitulations;
2. to lessen the extent of England's grip upon Egypt, and
3. to take out an insurance policy against Italian, French, German, Russian, or Japanese aggression.

In other words, a condition obtained where England's brokerage for putting an end to the Capitulations could be viewed, at all events in part, in the light of the payment of an insurance premium to Lloyd's for underwriting the risk so clearly brought to the fore by Mussolini's tactics.

The fate of Spain told Nahas Pasha and Makram Ebeid Pasha and the other Egyptian leaders who became their co-delegates that the hand of fate, of *Kismet* as they would put it, had decreed that the protection of the Suez Canal should be entrusted to some power stronger than Egypt.

I am not referring to the Spanish Revolution which is now putting Spain on the front page of the daily press. My thoughts are centered upon Gibraltar. If you glance at a map of Europe, your eye will tell you that Gibraltar is an integral part of Spain. And yet it is not. It is English. It is English because it is so essentially a factor in

a great international waterway that its strategic importance takes precedence over its territorial contiguity. Thus Spain today remains a sovereign State and but yesterday sat in the inner Council of the League of Nations, even though the Union Jack waves over part of her soil.

Spain means a great deal to Egypt, far more than she connotes to many another country, for that distracted land was for some eight hundred years a Muslim Kingdom.

Egyptians argue that if Spain is accepted as a member of the family of Nations, even if Gibraltar is English, their self-respect does not preclude them from permitting the presence of English troops in their Gibraltar, the Suez Canal. And they stress the point that it is separated by the desert from the arable lands of Egypt, whereas Spain's Gibraltar is in no sense segregated from its hinterland.

These deductions lead to the fact that when Saphia Hanem employed her matchless tact and all-compelling charm to get the *Wafd* leaders to bury the hatchet and agree to accept their political opponents as their colleagues upon a national Egyptian delegation chosen to confer with the English, she knew, Nahas Pasha, and Makram Ebeid Pasha, and everyone of the opposition leaders knew, that part of England's brokerage, part of her insurance premium, if you prefer, would be placing the Suez Canal under British control. Art. VIII of the pact reads as follows:

> "In view of the fact that the Suez Canal, whilst being an integral part of Egypt, is a universal means of communication as also an essential means of communication between the different parts of the British Empire, his Majesty, the King of Egypt, until such time as the high contracting parties agree that the Egyptian army is in a position to insure by its own resources the liberty and entire security of navigation of the Canal, authorizes his Majesty the King and Emperor to station forces in Egyptian territory in the vicinity of the Canal, in the zone specified in the Annex to this Article, with a view to insuring in cooperation with the Egyptian Forces the defense of the Canal."

I shall repeat the very last words of this article. They emphasize the principle underlying the treaty. They say that British troops may be stationed along the Suez Canal "*with a view to insuring in cooperation with the Egyptian Forces the defense of the Canal.*" And if I had to boil down my quotation to but one word, I would pick *cooperation*, for it is the essence of the entire agreement.

The first article shows that the purport of the pact is to buttress Egypt's status as an independent state. This section reads: "The military occupation of Egypt by the forces of his Majesty the King and Emperor is terminated." Article III is of like import, for it contains an undertaking on the part of England to support Egypt's entry into the League of Nations. Article IV provides that "an alliance is established between the High Contracting Parties with a view to consolidating their friendship, their cordial understanding and their good relations."

There is nothing in the treaty or its annexes which departs from the general spirit of these dominant articles. Every line of the pact shows that the Egyptian delegates have obtained the primary ends envisaged by them: viz. (1) the eventual abolition of the Capitulations; (2) the termination of the military occupation of Egypt; (3) the right of Egypt to participate in the administration of the Sudan; (4) sole responsibility for the protection of foreigners; and (5) the retirement of Englishmen from key positions in the Egyptian civil service.

The agreement is to remain in force for twenty years. If the high contracting parties fail to agree upon the terms of renewal, the difference will be submitted to the League of Nations for decision, "it being agreed," says Art. XVI, "that any revision of this treaty will provide for the continuance of the alliance between the high contracting parties in accordance with the principles contained in Arts. IV, V, VI, and VII."

It is a hazardous thing to prophecy, but I venture to express the belief that if the orientation of international politics in 1956 be similar to what it is today, Egypt will

be willing to renew the insurance policy which she took out in August 1936, and to continue to pay the premium it fixes: the maintenance of a Suez Canal "Gibraltar" and the presence of a leaven of English military officers in the Egyptian Army. But whatever may or may not happen in 1956, the treaty sounds the death knell of the Capitulations.

I do not affirm that their abolition is an unmixed blessing for Egypt. I do not say that their disappearance may frighten capital. I do not hint that the situation called for reform and not for repeal. I carefully refrain from expressing any opinion whatsoever on these scores. I am merely recording what the incomparable Saphia Hanem, the forceful Nahas Pasha, the brilliant Makram Ebeid Pasha, and the various leaders of the opposition to the *Wafd*—all of them—wanted. They have accomplished much.

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AUTHORS *in this ISSUE:*

Peace on Earth has been prepared by the staff of CURRENT HISTORY from League of Nations and various government sources.

* * *

Joseph E. Goodbar (*Forestalling Inflation*) is author of *Managing the People's Money*, Yale University Press. A member of the bars of Massachusetts and Illinois and a special lecturer on the Law of Corporation Finance at Boston University Law School, he holds the degree of Doctor of Juridical Science, the highest law degree attainable.

* * *

Henry C. Wolfe (*Why Hitler Wants Memel*) is a well-known writer and lecturer on international relations. He conducts the feature *The European Scene* in the Columbus (Ohio) *Sunday Dispatch*. In 1935 he visited Dobrudj Province as the guest of the Rumanian Government to observe the minorities transplantation.

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Henry A. Shinn (*Legislative No-Man's Land*) is Professor of Law at the University of Georgia and is a member of the California Bar Association. His articles on economic, social, and legal questions, have appeared in the *American Bar Association Journal*, the *Yale Law Journal*, *Forum*, the *North American Review*, and other publications.

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Curt L. Heymann (*Belgium, 1936*)—see CURRENT HISTORY for December 1936.

Hugo De Lachne (*The Crisis of the Little Entente*) was for fifteen years before the war a member of the old Hungarian Parliament. New York is his temporary residence, although he makes frequent trips to Europe, the last of which was in September.

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Ignatius Phayre (*Mussolini*) makes his second appearance in the new CURRENT HISTORY. His first article was *Holiday With Hitler*, July, 1936. Europe knows him by another name and he mixes in important Old World circles.

* * *

T'ang Leang-Li (*China's Progress*) is managing director of the *China United Press* and editor of the Shanghai fortnightly *The People's Tribune*.

* * *

Gabriel Farrell (*Pensions for the Blind*) is director of Perkins Institution for the Blind at Watertown, Mass.

* * *

Pierre Crabites (*Egypt Signs a Treaty*) was formerly senior American Judge of the Cairo, Egypt, International Tribunal. A native of New Orleans, he is a special lecturer at Louisiana State University Law School. He is author of *The Winning of the Sudan* and other books.

A DIGEST OF COMMENT QUOTED OR TRANSLATED FROM THE ORIGINAL

THEY SAY

SOMETIMES IMPORTANT ★ OFTEN AMUSING ★ ALWAYS AUTHENTIC

"WE ENTERED this struggle," [said General Mola], "simply because it was for us a moral duty. The terrible condition of the country compelled us to use force in order to restore law and order. Of course, we sacrifice none of the principles of our political creed (Catholic unity, corporativism, *fueros*, traditional and legitimate monarchy), but today our sole aim is to save the life of our country, to insure respect for the Catholic religion, to exterminate the leprosy of Marxism and the thousand-times-worse leprosy of separatism.

"The army took the initiative for very simple reasons. It constitutes in the nation that element which is most sensitive to the ideas of honor, tradition, and patriotism. When, as was happening in Spain, these ideas are in danger of perishing, the army is no longer merely the armed force of the nation, but is the nation itself in arms. In the present movement there is no doubt that the initiative and the leadership has fallen to the army; but at its side is the whole people, with the exception only of traitors in the service of communism, freemasonry, and other anti-national forces. When military operations are ended, there will be operations which we may call civil, with the object of completely uprooting the doctrines, the organizations, and the interests which have led to the situation which has compelled the national movement to act. The organism entrusted, after the Junta of defense, with supreme power, will be of a military nature, even if it is surrounded with all the necessary advisory bodies and collaborators of every kind. General Franco's mission will be to liberate, to reconstitute, and to make Spain great. He will have to free it from all forces hostile to its traditions and to its spirit, to reconstruct it materially and spiritually, and to make it great by a wise and continuous policy which will develop wealth, stimulate and protect labor, and guarantee order at home, peace abroad, and justice for all."

—*Le Temps*, Paris.

The Soviet—Indispensable?

We definitely know that if the other nations really desired to organize seriously for peace, guarantee collective security, and oppose the forces of aggression with the combined available forces of peace, they could not possibly get along without the Soviet Union. Only the Soviet Union can serve Europe as a bulwark of peace. This the aggressors know full well, wherefore they strain all their efforts to isolate Western Europe from the Soviet Union. I say emphatically: the idea is not to isolate the U. S. S. R., but rather to isolate the other countries of Europe, in order to render them helpless and obedient servants of the aggressors.

—From a speech by M. Litvinov, November 10, 1936. Recorded in *Izvestia*, November 11.

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Tension in the Far East

Pessimism is steadily growing in both Japanese and Chinese circles in Shanghai with regard to the Nanking negotiations because of the feeling that they can be of little practical value in eradicating anti-Japanese sentiments in China or adjusting Sino-Japanese relations, according to the Shanghai correspondent of the *Nichi Nichi*, Mr. Sakichi Matsumoto.

It is true that the meeting between General Chiang Kai-Shek and Ambassador Shigeru Kawagoe served to relieve the tension, he continues, but it was negative relief at being saved from war, by no means easing the mind about the future.

One reason for the contempt in which the negotiations are held is that General Chiang's dictatorship is not so deep-rooted or extensive as people in Japan may think, the correspondent says. Some of the Japanese authorities on the spot declare that the Japanese demands can be enforced easily if General Chiang sets about the matter with firm determination, but this is regarded as an over-estimate of his position. He is

United Feature Syndicate

HONORABLE FISH TOO BIG!

unable to deal with foreign or domestic affairs exactly as he wishes. In general domestic matters, he is restrained by the Kuomintang, and in financial and economic matters he cannot ignore influential capitalists. In diplomacy, he is hindered by the general masses and pro-European and pro-American elements in the Government.

Granted that Ambassador Kawagoe was correct in his observation that General Chiang is eager for adjustment of Sino-Japanese relations, about all that he can do is to apologize for the recent incidents, arrange indemnification, facilitate an economic entente, and adjust one or two minor matters. It is unlikely, in the opinion of the correspondent, that China will agree to any important changes in North China or to joint action against communism, which are the most hateful among the demands to the pro-British, pro-American, and pro-Soviet factions at Nanking. Even if accepted in principle because of Japanese insistence, arrangements for putting them into practice would be impossible.

As for elimination of anti-Japanese sentiment and prevention of anti-Japanese acts, the correspondent says that he can state it most emphatically that however earnestly General Chiang strives to achieve them "he will be unable to lift a finger", for anti-Japanese consciousness has eaten so deeply into the fabric of the nation that nothing can be done about it on short notice.

The most that General Chiang and the Nanking Government can do is to revise anti-Japanese textbooks, tear down the anti-Japanese posters pasted throughout the cities, and control meetings of anti-Japanese organizations. The Chinese at large, however, no longer need to be incited by posters and mass meetings to be antagonistic toward Japan. The anti-Japanese cause can be propagated from father to son and friend to friend.

—*Trans-Pacific*, October 15, 1936.

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Financial Italy

On the day the Italians learned that the lira had been devaluated by 41 percent the excitement was not so great, although everybody remembered that Signor Mussolini had said on August 18, 1926, in a famous speech, that he would "defend the lira with the last drop of his blood." What is disturbing the landowners of Italy (and there are six millions of them) is the forced loan on all properties of one fifth of their value. Most Italian landowners have no capital. Where will they find the funds?

Houseowners are in a paradoxical situation. For years past their rents have been much less than the modest interest on the value of the house; all are indebted; most houses are mortgaged; now they must find a fifth of the theoretical value of their house—and a new decree prohibits any increase of rents before 1939. "How naïve," people are saying, "was Lenin in violently suppressing private property. Here it is being quietly suppressed by people who claim to be its defenders."

A new move which proves how short the Banca d'Italia must be of good money is the recent decree issuing bonds, without limit, in dollars, pounds, and French francs for Italians living in the United States, Great Britain, and France.

In spite of an appearance of general calm, the Government is nervous; hundreds of arrests have been made in the last few days in Milan, Turin, Genoa, and Trieste. The most astonishing of them is the sudden arrest (which is still kept secret) of the aged Professor Mario Carrara, of the University of Turin, son-in-law of the famous criminologist Lombroso. Dr. Carrara does not like fascism; but he never took part in active political life, and the reasons for his arrest are a mystery to those who have learned of it.

—*Manchester Guardian*, November 6, 1936.

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Portugal Worries

The territorial position of our country is such in the present course of international affairs as to demand whether there is to be order or disorder with us and we find it strange that those interested in anarchy are redoubling their efforts. * * *

We have been the object of attack by the Leftist press of various countries among which that of England and France has exercised the least restraint.

—Premier Salazar of Portugal in a note to the press, September 10, 1936.

Nationalizing the Aeroplane Industry

"IN PRINCIPLE," said Pierre Cot, French Minister of Air, "every firm in this country manufacturing aeroplane parts and aeroplane engines will be nationalized, but the whole problem of aeroplane production is a very peculiar one, and the problem of nationalization is combined with two other problems of vital necessity—rationalization and decentralization. We want to kill three birds with one stone. You have to remember that our aeroplane industry was built up during the war in a very haphazard manner. Moreover, it was almost entirely concentrated in the Paris region, and it remained here after the war. The process of decentralization has been in progress for some years past—the Government has already spent 25,000,000 francs on it—but the bulk of this work still remains to be done. Built up in a hurry—one might almost say improvised—the French aeroplane industry is run in a wasteful and inadequate manner. Many of the firms are badly equipped, badly constituted, and financially unsound, though in many cases the real sufferers have been not so much the owners as the shareholders. When the Government orders, say, 100 aeroplanes, it has to split up the order among four or five different firms, each using a different plant. The usual process of nationalization, which would consist in the Government's buying up all the shares, or a controlling interest, could scarcely be applied to such an industry—especially one which is in constant process of evolution.

"What we want to buy up is the equipment we require for making an entirely fresh start. We have to pick and choose. We do not want to have anything to do with shares, companies' liabilities, and so on. If we are interested in the plant of, say, Bréguet, we offer them a price; if they accept our price, well and good; if not, we resort to the arbitration procedure provided by the law. (In the case of engines the method is different, as you shall see.) Now, to buy up plants here, there, and everywhere is not sufficient. The whole thing has to be coordinated, and that is why we have devised the following system. We have already founded a company with a capital of 100,000 francs (£1,000), of which two thirds belong to the State. This company"—M. Cot here produced a large document of several pages, the statutes of the new company—"is called the Société Nationale des Constructions Aéronautiques de l'Ouest. It is one of the four or five companies to be founded, I hope, before the end of this month, each of which will be in charge of the aeroplane production of a certain geographical division of France. The first company, which was founded on October 24, is commissioned by the Minister of Air to take charge of the coordination and super-management of the three former companies for which it will substitute itself completely or in part—the Loire-Nieuport company, the Bréguet company, and the Moranc-Saulnier company. It is called the 'Western' company, because these three firms will transfer their mass production to the western division of France—the Nantes-St. Nazaire region—but one of the present factories left behind in Paris will be used for this western division as a prototype factory, while the industrial production—that is, serial production proper—will as far as possible be transported to Nantes and St. Nazaire. At present serial production rarely exceeds thirty or forty units within a given time, and we hope to bring it up to 150.

"We propose to use the same method in founding three or four other companies, the Sociétés Nationales des Constructions Aéronautiques of the North (with aeroplane works at Caudebec, near Le Havre), the Centre (at Bourges-Clermont Ferrand), the Southwest (Bordeaux-Toulouse), and the Southeast (Grenoble, &c.)—all parts of France more or less immune against invasion. By controlling and, in fact, owning these companies, the State can appoint the directors, committees, and higher staffs, fix salaries, deal with labor questions (in a public or semi-public concern like this there is always less labor trouble than in private ones), organize research, and coordinate the whole problem of industrial mobilization and decentralization. The decisions of these companies will be subject to the approval of the State, represented by the Minister of Air. By remaining private companies in principle their work will have greater administrative subtlety and financial flexibility, and will suffer less from red-tape than they would if they were simply Government offices. The workers will have their collective contracts as elsewhere, and the higher employees will be under individual contract. The administrative control will be carried out by officials of the Air Ministry assisted by air engineers, who will be able to inquire into everything and report to the Minister. The technical control will be done by the manufacturing service of the Air Ministry. The industrial accountancy will be standardized, and the experts will determine the cost of research and deal with the question of prototypes and serial production. The sale price to the State and to foreign Governments will be fixed. Provision will be made for the remuneration of the private capital—one third—invested in the companies. These private shareholders may in many cases be the expropriated firms themselves. Each of the four or five companies will have its research bureau and its prototype factory. There will be a central coordination committee for all the five companies and a sales office for abroad."

"How much will this expropriation and reorgan-

ization cost?" "About 400,000,000 francs (£4,000,-000)," M. Cot said. "And how many firms do you propose to expropriate?" "About eighteen—that is, all the aeroplane firms of any importance at all. In addition, there will be the cost of decentralization." "But does not this process of decentralization hold up production?" "No, hardly at all, for the prototype factories will remain in Paris so that at no moment will the plan be totally out of action. And, besides, the decentralization will, of course, not be simultaneous for all the factories." "How long will it take to carry out this whole program of decentralization?" "That is difficult to say, but in any case we shall carry it out as quickly as possible."

"What are you doing about aeroplane engines, M. le Ministre?" "Here we have adopted an entirely different system. A convention is on the point of being concluded with Hispano-Suiza on the following basis. The Minister of Air will found a national company with a capital of 60,000,000 francs (£600,000), of which two thirds will be subscribed by the State. This company will in future manufacture all Hispano-Suiza aeroplane material. It will rent the greater part of the Hispano-Suiza works and buy the movable means of production necessary for the manufacture of engines, &c., the Hispano-Suiza company keeping only the premises and the material necessary for research and experiment. The Hispano-Suiza company will concede to the national company an exclusive license for the manufacture of its engines, will give it complete technical collaboration, and will be remunerated by a percentage on the turnover of the national company for Hispano-Suiza material. A similar arrangement is under consideration with other aeroplane-engine works. The aeroplane firms that will not be expropriated—and there will be few of any importance—will continue to function under the control and license system provided by the recent law and decrees.

"You see," M. Cot concluded, "that the whole problem is not only a question of morality but also, especially in the case of aeroplanes, of efficient production and ultimately of national defense. I am convinced that our system will work."

—*Manchester Guardian*, November 13, 1936.

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Strike in Prague

We went cold and hot, but the danger's over. Like the poet's flight of fancy, the sausage-makers' strike in Prague "lasted but a day." The sad eclipse of sausages of all denominations and sizes, constituting the most savory delicacies of Prague, occurred on September 15. Praguites were compelled to forego their customary *talian* (sausage) as an appetizer before their goulash or tripe soup and fall back on a "real imitation" of more expensive Hungarian sausage, or even go as low as eat some *tlacenka* cheese. * * * Everyone sided with the sausage-makers, but here we are on hot ground, not in our line, so just let's say it ended in perfect calm.

—*Central Europe*, Prague.

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Lessons of War

The war has taught youth certain things that the generation prior to 1914 could not know. Certain pacifist theories have been tested. The world constantly demands peace, but also things that are incompatible with it. Consequently youth must oblige the world to see this incompatibility and call on it to reject such or cease talking peace.

Wars are generally offensive. * * * Youth must protest by saying: Henceforth all nations shall submit their differences to the judgment of a third party; any nation refusing this impartial judgment becomes the enemy of civilization.

—*Sir Norman Angell* at *World Youth Congress.*

I know of nothing more calculated to make a raging pacifist out of anyone than doing war surgery.

Dr. Hyla S. Watters, Head of Surgical Service, Wuhu General Hospital, Wuhu, Anhwei, China.

Wireless in Russia

Today the Soviet Union has 71 wireless stations with a total power of 1,736 KW. They are used to develop the cultures of the different nationalities, [the method] being national in form and social in substance.

The number of receiving sets in the Union has grown from 1,793,069 in 1932 to 2,200,000 on January 1, 1936. During 1936, 1,100,000 new listening points [were to be] installed. * * * Group listening has become widespread, especially in the country.

—*Economic Survey*, Moscow.

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Memorial for Brown

The Argentine Minister of the Navy has asked Congress for 100,000 pesos to rebuild the tomb of Admiral Brown, Irish-American sailor and one of the heroes of Argentina's fight for independence. The Minister asserts the present condition of the tomb evidences ingratitude to the Admiral.

William Brown was born in 1777 and first served in the British Navy. Then he took command of the Argentine Navy and showed his skill against the Spaniards. In 1825 he defeated Brazil in several engagements. During the war of 1842-45 he blockaded Montevideo and fought against Garibaldi. He died in 1857.

—*South American Journal*, London.

ZAHAROFF: Man of Darkness

MANY times the papers have reported the death of Sir Basil Zaharoff. A year ago last October, however, his condition really looked serious. The "man of darkness", purveyor of wholesale death, the greatest armament dealer of the past fifty years, and one of the wealthiest persons in the world, was nearing his end. And before retiring from this world, he wished to destroy all traces of what he had perpetrated on his richly adventurous life's path.

So, in his Parisian palace * * * he set fire to all documents which might have compromised himself and other world celebrities—public men and industrialists—who were lined up with him. It chanced that the burning papers, blown out of the fireplace, set the carpet aflame; but the fire was extinguished before the arrival of the fire brigade. Sir Basil himself saw to it. And that, we daresay, was the only fire he had ever *extinguished*, his main occupation having been to set them. . . . However, Sir Basil succeeded in overcoming that illness and his death came only now.

The munitions king enjoyed a lifetime of good luck. When many years ago, while Poincare was still young, full of energy, and inspired by idealism and love for the people, he [Poincare] repeatedly threatened, in the lobby of the Chamber that "if I should ever become Premier I will order that Basil Zaharoff shot within 24 hours." But when Poincare subsequently did become Prime Minister, he personally awarded Sir Basil the Cross of the Legion of Honor.

About 55 years ago Sir Basil was sauntering about the city of Athens, exhibiting colossal vanity about his person, but as yet without funds to enable him to start the wheel of fortune turning. Fortunately, he found a rich uncle who advanced him enough money to enable him to proceed to London. He was equipped, besides money, with a magnificent shock of blond hair and with bewitchingly beautiful eyes which made an indelible impression on women. * * *

One day, Zaharoff rapped at the door of the Director of the Vickers' ammunition works and proposed that he, the insignificant little clerk, be sent on a mission to Spain. In return, he obligated himself to bring back orders for several million pounds worth of ammunition. The project at first was met with a smile and a shake of the head. But as the young man persisted fanatically in his request, the directorship finally decided to accede. Zaharoff went to Spain, stayed there only a few days, and returned with colossal orders. How did he accomplish it?

One of the worldly lionesses, a Bourbon Princess, conceived a passionate love for the young man, and, thanks to her connections, he obtained access to the Spanish War Ministry* * * and finally condescended to deliver to Spain a large order of ammunition.

Thus Basil Zaharoff was launched on his notorious career. In the course of the past 50 years, every major government scandal involving armaments has been centered about his name. * * * Have disorders occurred in the Balkans? In a few months they are traced to Zaharoff. And now he spreads word that Germany is building 20 new men-of-war * * *, and so England begins the construction of 25 new vessels; France, not wishing to be left behind, begins building 30 additional ships. * * *

Basil Zaharoff's millions began to grow with the speed of a rolling snowball. He made use of two kinds of weapons: diplomatic incidents and false information, both of which he subsidized. He launched his false rumors into the world through the medium of his privately owned information bureaus and papers which did not rest until they had achieved their desired goal. * * *

Zaharoff lived quietly. In his castle, besides himself, was a single mysterious woman, now about 50 years of age. Zaharoff claimed her to be his *niece*, although rumors claimed she was his daughter. * * * Also in the castle were six giant Hindu guards who did not understand a word of French—*consequently* could learn nothing.

They went to bed early at the castle, although a light might have been discerned in Zaharoff's own room. There he sat, counting the profits; and there he studied the maps. Where should a revolution break out next? During warm nights, Zaharoff occasionally looked out of his window. What could he have seen in the darkness? The corpses he had strewn all along his life-path, the tears and sorrows [he produced], or his own eternal damnation?

—*Novoye Russkoye Slovo*, Russian language newspaper, November 29, 1936.

Handicrafts Survive

Recent studies show handicrafts and modern industry are by no means incompatible with one another. Even in the most highly industrialized countries, they exist side by side, and sometimes the growth of large-scale industry stimulates the development of handicrafts in new conditions. This development is particularly important in the agricultural countries of Africa and the East. * * *

Tunisia is a remarkable instance of this with its population of Europeans, Mohammedans, Jews, of different origins, nationality, and economic development. Handicrafts are a considerable factor in family economy, local and foreign trade.

—From "Handicrafts in Tunisia," *International Labor Review*, Geneva July, 1936.

La Publicitat, Barcelona

THE ROCK OF LIBERTY

First Moor: "It is curious—the nearer one approaches, the higher it gets."

Welcome

A striking welcome was accorded the Yugoslav Premier and Foreign Minister, Dr. Milan Stoyadinovitch, on his arrival [at the Turkish capital last month], where he paid an official visit to the Turkish President, Kemal Ataturk.

On his journey, the Yugoslav Premier was met on the Bulgarian border by M. Kiosseivanoff, Bulgarian Premier, with whom he conferred again on his return, Dr. Stoyadinovitch being received also by King Boris.

Dr. Stoyadinovitch's visit was marked by the signing of an important new Yugoslav-Turkish trade agreement * * * and after the Turkish Premier, Mr. Ismet Inönu, had concluded this pact, Kemal Ataturk gave a gala dinner in Dr. Stoyadinovitch's honor.

In a speech at this dinner, the Turkish President said:

"The Turkish nation has the warmest sentiments towards Yugoslavia. The mutual friendly bonds between the two nations will still further strengthen with time, to become a symbol of an example to all countries which desire peace."

—*Balkan Herald*, Belgrade.

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Morocco

General Franco made the Moroccan leaders promises, apparently quite seriously, and, as a token of his good faith, immediately authorized the publication of *El Rif*, a Moroccan nationalist newspaper advocating autonomy.

The recruiting of natives for Franco in French Morocco is going on with the connivance of the French authorities. The rebel recruiting agent, Dr. Cortès, goes freely to and fro between Tetuan and Fez, and confers regularly with the staff officers of the army of occupation, as well as with the native leaders.

A conference of the Croix de Feu officers has been held at Meknès, at which many things were discussed including the possibility of a French Army *coup*. This mobilization of fascist elements is accompanied by intense propaganda among the natives.

At Rabat, the Croix de Feu go into the Arab districts and explain that the Blum government, run completely by Jews, does not represent France and that one day it will be necessary to march against it. * * *

The great poverty of the natives, the despondency of the settlers, the insolence of the fascists who are in control, and the lack of conscience of certain mercenaries who are ready to take part in the basest adventures—all make Morocco a soil well prepared, it seems, for a *pronunciamento*.

—*L' Oeuvre*, Paris.

It has been quiet in Spanish Morocco. But for how long? General Franco has been forced to draft picked men of the Foreign Legion to the Spanish army of occupation in order to carry out the national revolution with the help of German, Italian, and White Russian mercenaries. Is it an invitation to the restless tribes in the Riff to repeat the experiment of 1921, when 1,000 Riffs annihilated a Spanish army of 20,000 men? It is not supposed that the mistrustful Orientals rely overmuch on the declarations of certain Powers that they do not intend to meddle in the Spanish conflict and land troops in Morocco's ports. Primitive peoples, unused to the voice of Geneva, are more impressed by the presence of foreign warships than by mere words.

—*Social-Demokraten*, Copenhagen.

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France to the Rescue

The German war industries * * * have been getting their needed supply of iron ore from Spain, Sweden, and France. Owing to developments in Spain, exports [from that country to Germany] have ceased, as a result of which German war industry became dependent for its ore on Sweden and France alone. In the course of the past few months, however, it had been expected that the export of iron ore from France would likewise cease, thus causing great injury to the German war industry.

Now rumor has it that during the recent negotiations between France and Germany concerning their commercial accounts * * * an agreement has been arrived at, according to which France will export to Germany iron ore to the value of three million marks monthly. German political circles do not hide their satisfaction [over the anomaly] that France, of all others, should come to the assistance of Berlin in this difficult situation. It will be interesting to watch whether this rumor will be denied or not.

—*Za Industrialisatsia*, Moscow, Nov. 2, 1936

AMERICAN WAR BIRDS IN SPAIN

A WHOLE squadron of 25 American flyers, headed by Capt. William B. White, represents the insurgent air force. They are fighting daily — not against the Spanish – but against the crack flyers of France and Great Britain, who have elected to take the side of the Reds. * * *

And Major X is their liaison officer. His identity is as secret as the Sphinx. If his name were revealed his life wouldn't be worth a plugged peseta. * * *

He told me Capt. White and his men have been in Spain three weeks. They have 10 bombers and 15 pursuit planes in their outfit. Anyway, they had when he told me—today the headlines are smeared with news of great air losses on both sides.

All the flyers Capt. White and his men have captured from the Red outfits have been either French or English, Major X said.

[Capt. William B. White, commander of the force, told me several weeks ago]: "We can summon within 24 hours 1,500 daredevil fighting aviators. We can almost in as many short hours collect 750 to 1,000 planes. We could have this entire fighting force of American fighting men and fighting planes over there within five days. This revolution would be over within from 24 to 36 hours thereafter. But for their purposes 10 good bombing planes and about 25 transport planes would be sufficient. * * *

"A good bombing plane costs anywhere from $50,000 to $60,000. We will let them (the Right Party, of course) have them for $10,000 each. Our requirements are simple. For every plane delivered, we want $5,000 in gold in advance—$5,000 in gold upon shipment. That's fair enough, don't you think?"

"How about the men? What do they get?"

"Don't you understand—here are red-blooded fighting men who haven't seen action in years. They crave it—they want to be there in the thick of it. They're adventurers at heart—they want fight—they——"

"You mean just for the spirit of the thing?"

"Sure—but of course, we want $1,000 in gold on deposit in banks here for every man. That's part of the arrangements."

Information reaches me at this point that three American aviators, Capt. Gordon Berry, Major Lord, and Edwin L. Semons, left last week for the south of France, where Bellanca planes await them. . . . They will take these to Spain, where they will fight for the Reds. . . . In other words, Americans are to fight against Americans in the current Spanish revolution! . . . The same source advises that, although the impression was that Bert Acosta and Major Lord would fight for the Insurgents, they had been won over to the side of the Reds.

—Louis Sobol in the *New York Evening Journal*, September 4, November 14, and November 20, 1936.

To the mid-town office of a business firm they are flocking by the dozens—war aces, heroes of banana revolutions, test pilots, all keen-eyed fellows who could fly a packing crate in a hurricane.

For it is there that recruiting officers are lining up an air force to fight for the Spanish Government against General Franco's Moors, Foreign Legion, and fascists.

The squadron of five, headed by Bert Acosta, which sailed last November 11 for Spain and is now in action, was not the first batch nor the last. Eight other flyers had already preceded them in September and have since proved their worth in checking the fascist offensive against Madrid.

Among the early contingent, the *Post* is authoritatively informed, were Ben Leider, who for two years was a "flying reporter" for this paper, and "Scotty" Nelson, who has fought in most of the wars since 1914. * * *

What happened, the *Post* learned, was that a number of prosperous New York business men and professional people who are opposed to fascism and who hated to see a nation of 25,000,000 conquered by a few dozen German and Italian planes, got together and decided that Madrid must have an air force.

They took the shortest way through the red tape. Shelling out from their own pockets, they sent first a pair of flyers across and then a batch of six. Presented with a *fait accompli* in the form of eight tough flyers, the Spanish Government rushed its thanks and blessings and money to finance new squadrons, starting with Bert Acosta's.

Now the rush is on to enlist, because the pay ($1,500 a month and a $1,000 bonus for each plane downed) is good and because flyers eat excitement as land-locked people eat food. * * *

But there are three strict requirements: (1) They must have at least 2,500 hours in the air, preferably military flying; (2) there must be nothing pro-fascist in their records; (3) they must have been loyal always to whomever they worked for. * * *

Major Fred A. Lord, British war ace who is one of the Acosta outfit, is an exception to the rules. Though he once fought a "good revolution" in Mexico, he also flew for the White Russians in the anti-Soviet campaigns. This impediment was waived, however, because of his exceptional reliability and ability.

Glasgow Evening Times

Another blow at the poor old tree.

There was some recruiting by the rebel side, too, a couple of months ago when the supply of planes was coming faster than the supply of pilots from the German and Italian armies. The report has reached here that three of those ten have been killed and that five more quit.

Of the eight loyalist flyers, two have been downed but both bailed out, landed safely and made their way back to the Government lines.

"Scotty" Nelson, an almost legendary figure who bears many a scar of machine bullets in token of wars in Latin America, China, and elsewhere, was in the first pair to go.

He had visited Spain last spring before the revolution, and had such strong sympathies for the Government forces that he rushed to volunteer without pay. * * *

The next batch, which included Ben Leider, also went without pay.

Leider, who has been flying for eight years, has been reckoned one of the best and most daring aviators on local fields. In his work for the *New York Post* he often dashed out to sea, whatever the weather, to meet and photograph such noted arrivals as the Zeppelin *Hindenburg* and the liners Normandie and Queen Mary, with such disregard of his own safety as to make those below tremble with fear for him. * * *

After the departure of the second batch, the recruiting officers found further volunteers long on enthusiasm but short on flying experience. Into the breach stepped twenty-six-year-old Edwin L. Semons, an air-crazy kid of the kind who leap in where cooler heads see obstacles. * * *

He dashed over to Floyd Bennett Field, where they knew him as a dizzy kid and laughed at him. But he went right up to Bert Acosta, Eddie Schneider, Major Lord and Gordon Berry and offered them all jobs at $1,500 a month.

They laughed—but next day they signed contracts. Still a little dazed by the whirlwind tactics of Eddie, they insisted he would have to go along with them to pave the way and handle arrangements on the other side. So he sailed with the party of them on the Normandie November 11.

Now he makes his headquarters in Paris and Valencia, flying between both points regularly to chaperone more flyers, and possibly equipment too.

No planes have been bought in America, incidentally, though many war models were offered here and tested. It was decided, however, that European brands were the better buy. Furthermore, it was desired to avoid collision with the State Department. The State Department legally cannot prevent shipment of war materials to Spain, since there is no international war but only a "police action" against rebels, but it is exercising "moral suasion."

—D. A. Davidson in the *New York Post,* November 28, 1936.

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Degrelle's Plans

M. Léon Degrelle, the young Rexist leader, in an interview at Brussels, discussed in detail the aims of his movement.

"As to the Locarno agreement and the Franco-Belgian Treaty," M. Degrelle [said], "they should be repudiated at once. The Rexist deputies have introduced a motion to that effect in the House. The motion points out that the fact that these treaties are not yet repudiated is in contradiction with the intentions clearly expressed by the King in his speech. We have had more than enough of all that! Unless the French break their pact with Soviet Russia . . . in which case we might talk to them again, but not before."

"How do you view future relations with Germany?"

"We want to live in a spirit of fraternity with all nations. To those who are opposed to close relations with Germany, we reply that Belgium, all through history, has been invaded by every Continental Power, and if we were to retain ill-feeling against our various invaders we should be without a single friend in the world. All we want is to feel certain that those with whom we seek relations are moved by a wish for peace. The Nazi regime, in our opinion, is moved by that feeling towards Belgium. When Rex comes into power we shall endeavor to see this wish materialize. Besides, do not forget that Adolf Hitler's Germany is a stronghold against communism. We do not hide from anyone that our main object is to second the fight against Soviet barbarism." * * *

"What are your feelings towards Italy?"

"I have all along regretted the absurd sanctions policy. On the very day Rex comes into power we shall not be ashamed to recognize the annexation of Ethiopia by a splendid country which gives the world an example of vitality."

To a final question, "Do you consider there is a communist danger in Belgium?" he replied:—

"There are few communists in this country, but they are stubborn and violent men. Remem-

ber that revolutions are always caused by a minority. The communists were in a minority when they won Russia; Mussolini had but a minority to rely on when he conquered Italy. There are 600,000 socialists in Belgium, whose leaders are losing hold. These 600,000 socialists may become communists at the first opportunity."

—*The Observer*, London, November 1, 1936.

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Gen. Chen's Fortune

In the days of the New Life Movement when the people in the streets have been repeatedly reminded to lead a moral life, official morality, however, is still on the wane and no conscientious efforts have yet been exerted for its uplifting. Notwithstanding the oft-repeated cries of "Down the corrupt officials", we have not yet had the pleasure of meeting one single instance wherein a big corrupt official has been actually brought to justice, although it is known that corrupt officials can be found here and there in large numbers in our midst. While the gamblers and opium-smokers have been chained together and herded into prisons, many provincial officials who have amassed their fortunes by imposing illegal taxes on gambling houses and opium dens can continue their malpractices, as long as they are not tired of this game of money-amassing. While the armed robbers and kidnappers have been apprehended with promptitude and dealt with by severe punishment, many unscrupulous war lords, who, by means of the bayonets of their mercenary soldiers, have extorted money from the people and bled them white, have been watched with indifference and tolerance by the Central Government. These are the curious spectacles which we have witnessed year in and year out for the past two decades.

What I have in mind is the recent disclosure regarding the huge fortunes possessed by Gen. Chen Chi-tang and his family. Gen. Chen, the ousted war lord of Kwangtung province, when he saw his political star descending, had the forethought of shipping his plunder in eighty strong trunks to Hongkong for depositing with foreign banks. As if his plunder was not yet big enough to satisfy him, he had the audacity of carrying with him a part of the silver reserves of Kwangtung at the time of making his ignominious exit. What are the contents of these eighty trunks, no one knows; but it has been reported that they are worth as much as $80,000,000. Besides these movable properties, the erstwhile "Strong Man" of Kwangtung has been reputed to possess real estates in Hongkong and Canton to the aggregate value of $50,000,000. From these figures, we are safe to say that Gen. Chen's personal fortune cannot be less than $130,000,000.

—*China Weekly Review*, August 22, 1936.

Lloyd George, Demagogue

Mr. Lloyd George's career reveals that his greatest strength, apart from the first-class brain which he undoubtedly possesses, lay in his thorough understanding of the mass mind. Hitler has, in fact, on more than one occasion confessed indebtedness to him for the artfulness of his demagogy—a really fine compliment. When British imperialism was facing the greatest crisis in its history, Lloyd George played the most important role of link between the financiers and militarists on the one hand, and the people on the other. When there were strikes on the Clyde or in the coal mines of Wales it was the liberal Lloyd George who held the front for the Government. In this work he was ably assisted by that other notorious Liberal, Gen. Smuts. But when the strain of the war years was over, Lloyd George proved too dynamic a personality for these same financiers who wanted to get down to normal business again. This became clear after Britain was almost involved in a war in the Near East over the Iraq dispute. Mr. Lloyd George was turned out of office by these gentlemen who fathered him all along. He may now in his vengeful moments be toying with the idea of exercising his demagogic talent by going over the heads of these gentlemen direct to the masses. But he is not likely to succeed. At the age of 72 he stands discredited with almost all sections.

—*South African Opinion*, October 2, 1936.

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The King's Business

"I see no reason why the King shouldn't marry Mrs. Simpson if he wishes, even if Mrs. Simpson is an American. It is no offense to be an American.

"As far as the King's marrying her is concerned, that is entirely his personal affair. After all, labor people consider there are many other things more important to worry about.

"If he wants to marry her, as far as I am concerned I will say: 'Good luck to him and good luck to her.'

"According to the constitution it has always been recognized that the King should marry royalty. Naturally, the 'charmed circle' would be upset. But we certainly shouldn't worry about it

"People's private lives shouldn't be discussed anyway. That includes the private affairs of the King. He certainly ought, as a human being, to be free to do as he chooses, and if the rest of them do not like it it is their hard luck.

"It is not my affair. We ought to get socialism, have no King or aristocracy, but as things are now we are concerned with the whole system.

"When the system goes, so will the King and aristocracy. Meanwhile, I say let's mind our own business."

—William Gallacher—Communist M. P.

Kriegsministerium.
Nr. 247 8. 16. C 1 b.

Berlin W. 66, den 11. 10. 1916.
Leipziger Straße 5.

Fortgesetzt laufen beim Kriegsministerium aus der Bevölkerung Klagen darüber ein, daß eine unverhältnismäßig große Anzahl wehrpflichtiger Angehöriger des israelitischen Glaubens vom Heeresdienst befreit sei oder sich von diesem unter allen nur möglichen Vorwänden drücke. Auch soll es nach diesen Mitteilungen eine große Zahl im Heeresdienst stehender Juden verstanden haben, eine Verwendung außerhalb der vordersten Front, also in dem Etappen- und Heimatsgebiet und in Beamten- und Schreiberstellen zu finden.

Um diese Klagen nachzuprüfen und ihnen gegebenenfalls entgegentreten zu können, ersucht das Kriegsministerium ergebenst um gefällige Aufstellung einer Nachweisung nach dem anliegenden Muster 1 u. 2.

Diese Nachweisungen — 1. für die Truppen und Behörden, 2. für die Bezirkskommandos — wollen von den Armeeoberkommandos, Armeeabteilungen, stellvertretenden Generalkommandos, General-Inspektionen (letztere nur für den Bereich des Besatzungsheeres) und den General-Gouvernements in Warschau und Brüssel zusammengestellt bis zum 1. 12. 1916 dem Kriegsministerium eingereicht werden.

Wild v. Hohenborn.

An die Königliche General-Inspektion der Fußartillerie, hier.

General-Inspektion der Fußartillerie.
Abt. IV. Nr. 14975. 16.

20. 10. 16.

An sämtliche Ersatzbataillone (ohne Sachsen u. Württemberg).
An Fußartillerie-Schießschulen Jüterbog, Wahn und Thorn.
An Kommandanturen der Fußart.-Schießplätze Wahn u. Thorn.
An II/2, III/2, Ldw.-Fußa.-Batl. 7, 24, 25, 29, 31, 33, 39, 40, 41, 2. Landw. 8, Batterie 769.
Landsturm-Fußa.-Bataillone III., V., XIV., XV., XX. A.-K.

Die Nachweisungen (Muster C) sind zum 15. 11. 16 der General-Inspektion einzureichen, aber nur von den zum Besatzungsheer gehörenden Truppenteilen (also z. B. von den im Felde stehenden Teilen der Landsturm-Bataillone nicht). Auch alle Abkommandierten sind aufzunehmen.

Von seiten der General-Inspektion.
Der Chef des Stabes.
Kipke
Oberstleutnant.

***SECRET ORDER:** An exact reproduction of German War Office document directing an investigation of the activities of the German Jews during the war. It is signed by the War Minister. The investigation was then held to be the beginning of the new wave of German anti-Semitism; it was the work of a few anti-Semites, it was charged.*

Underground

The growing number of political trials and constantly recurring cases of arrests on charges of conspiracy against the State are worrying the National-Socialist authorities, who sense in it a revival in Germany of communist underground activities. The Reich's Minister of Justice, Dr. F. Guertner, recently summoned an extraordinary conference for the purpose of devising means for the suppression of such phenomena. At the council's table sat the Director of the Political Police [Gestapo], the president and justices of the People's Court, the chairman of the Appellate Court, and also the heads of the juridical institutions which are in charge of cases involving high treason.

The conference reached the conclusion that the closest cooperation between the police and the courts is absolutely necessary to defeat the communists and for the rounding up of all kinds of conspiracies against the State.

The conference occupied itself also with the question of how the crime of "race-defilement" might be most effectively handled.

—*Prager Presse*, Prague, Nov. 18, 1936

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Nazi Humor

Germans, fully conscious of the lighter side of the pure-Aryan-descent shibboleth of the Nazi regime, have given a new twist to the Red Riding Hood story. It is said that a Berlin schoolgirl, asked to tell the tale of Rotkäppchen, began thus: "One day Red Riding Hood was walking in the forest and she met a big wolf. The wolf asked her, 'Where are you going?' and Red Riding Hood answered, 'I'm trying to find my grandmother.' 'So are we all,' replied the wolf."

—*Manchester Guardian*, November 20, 1936

Modern Germany—A Prophecy 20 Years Ago

[EDITORIAL NOTE: *Ever since the German Government began its systematic elimination of the Jews from the nation's public life, it has been asked: When and how did the anti-Semitic movement really start in the Reich? A remarkably interesting item in this connection is presented herewith, substantiated by a confidential document, reproduced with this article, from the files of the German War Office. At a secret meeting, the Budget Committee of the German Reichstag seems to have decided on October 19, 1916, to have a census undertaken of all Jews not in the front-line trenches. The leader of the Social Democratic Party, the Hon. Philipp Scheidemann, later first Chancellor of the new German Republic, apparently had information showing that this census was the maneuver of a small clique of anti-Semitic agitators who had successfully promoted the measure by using the half-dozen Conservative members of the Budget Committee. Scheidemann decided to warn the German people. However, the military censors suppressed his article in the entire German press—save for the early edition of Germany's best-known newspaper, the* Frankfurter Zeitung. *Here is the article, a masterpiece of prophecy:*]

The decision of the Budget Committee of the German Reichstag on October 19 [1916] to have a census compiled on the basis of the religious affiliations of persons employed by the various War Industries Corporations, appears to me as such a colossal breach of every usage of common decency and as such a rank violation of the most elementary principles of religious non-discrimination by the State that I do not want to let this occasion go by without making the sharpest possible protest in every place I can possibly reach beyond the confines of the Parliament.

The state has absolutely no business to concern itself with the religious affiliations of its citizens. In my opinion, every citizen would have a perfect right to reject most energetically the impudent question as to his religious affiliations. * * * If the persons employed by the War Industries Corporations, regardless of their religious affiliations, should simply *refuse* to list their religion, that would really be logical and it would earn them the sympathy of all decent-minded people.

The decision of the Budget Committee was based on the flimsy pretext that it was the purpose of the census *to refute* "an opinion widely prevalent among the German people", which allegedly held that an unusually large number of "Jewish slackers" have found berths in the War Industries Corporations. If there are any slackers in the War Industries Corporations they should be sent to the front! It is totally immaterial whether they are Jews or Gentiles. But the decision of the Budget Committee is really not intended as a measure to protect the Jews against unjustified anti-Semitic agitation; it is much more a most sweeping concession to those gentlemen for whom the so-called Jewish question is the alpha and omega of all genuine German politics.

The mere fact that such a decision could ever have been adopted is a most interesting *symptom. Already it can be seen very clearly that after the war two dominant trends will fight for the absolute rule in the interior of Germany.* One will be the decidedly liberal trend which will be carried mainly by the modern, liberal, and unprejudiced spirit of the working classes. *The other will be a reactionary, demagogic and ultranationalistic trend which, by its very nature, must also be anti-Semitic and whose outspokenly Jew-*

Seite 4 Nummer [illegible]

Die Judenzählung von 1916.

Unter diesem Titel veröffentlicht der sozialdemokratische Abg. Scheidemann in Blättern seiner Partei folgende Ausführungen:

Der Beschluß der Budgetkommission des Reichstages vom 19. d. M., die in den Kriegsgesellschaften beschäftigten Personen nach ihrer Religion feststellen zu lassen, erscheint mir als ein so ungeheuerlicher Verstoß gegen alles gute Herkommen und gegen die Grundsätze eines konfessionell-neutralen Staatswesens, daß ich nicht verfehlen möchte, auch außerhalb des Reichstages an jeder mir erreichbaren Stelle aufs schärfste Verwahrung gegen ihn einzulegen.

Den Staat geht das religiöse oder nichtreligiöse Bekenntnis seiner Bürger nicht das allergeringste an. Nach meiner Auffassung hätte jeder Staatsbürger das Recht, sich die zudringliche Frage nach seiner Konfession entschieden zu verbitten und sie unter Umständen auch unbeantwortet zu lassen. Wenn die in den Kriegsgesellschaften beschäftigten Personen ohne Unterschied der Konfession die Angabe ihres Bekenntnisses einfach verweigern würden, so wäre das eigentlich nur selbstverständlich, und es würde ihnen die Sympathie aller anständig denkenden Menschen eintragen.

Der Beschluß der Budgetkommission wird nun freilich damit begründet, daß durch die Erhebung „eine weit im Volke verbreitete Meinung" widerlegt werden soll, wonach in den Kriegsgesellschaften besonders viel „jüdische Drückeberger" säßen. Wenn in den Kriegsgesellschaften Drückeberger sitzen, so soll man sie an die Front schicken! Ob sie Juden oder Christen sind, ist total gleichgültig. Der Beschluß der Budgetkommission ist aber auch wirklich nicht als Maßnahme zum Schutze der Juden gegen antisemitische Hetze gedacht, vielmehr kommt er den Gedankengängen der Herren, denen die sogenannte Judenfrage das A und das O echtdeutscher Politik ist, in der weitherzigsten Weise entgegen.

Daß er überhaupt gefaßt werden konnte, ist ein interessantes Symptom. Schon jetzt zeigt sich ganz deutlich, daß nach dem Kriege zwei große Richtungen um die Herrschaft im Innern kämpfen werden: eine entschieden freiheitliche Richtung, die in der Hauptsache von dem modernen, freien und vorurteilslosen Geist der Arbeiterklasse getragen sein wird, und eine reaktionär-demagogisch-nationalistische Richtung, die dann naturgemäß auch antisemitisch sein muß und deren ausgesprochen judenfeindliche Färbung sich jetzt schon bemerkbar macht. Im Kampf gegen politische Privilegien und Kapitalsherrschaft würde die Arbeiterbewegung sehr rasch unwiderstehliche Macht gewinnen, wenn es ihren Gegnern nicht rechtzeitig gelänge, die weniger aufgeklärten Massen der Bevölkerung von der allgemeinen Bewegung abzuzweigen, sie von den eigentlichen Kampfzielen auf bloße Scheinziele abzulenken und dadurch ungefährlich zu machen. Diesem Zweck dient die antisemitische Bewegung, die sich an allen Ecken und Enden hervorwagt und die in dem erwähnten Beschluß der Budgetkommission überraschend früh ihren ersten prinzipiellen Sieg verzeichnen darf.

Jener Beschluß ist im höchsten Grade parteiisch. Wenn man schon Juden zählen will, so soll man sie doch nicht nur in den Kriegsgesellschaften zählen, sondern auch in den Reihen der Kriegsfreiwilligen und in den Gräben an der Front! Man soll sie überall zählen, wo sie im Leben der Nation Tüchtiges geleistet und Verdienstvolles geschaffen haben, nicht aber nur dort, wo man Material zu finden hofft, um sie ungerechterweise in Bausch und Bogen zu verdammen.

Der Beschluß der Budgetkommission ist in jeder Beziehung falsch und abwegig, ja er ist geradezu eine Schande. Oder wollte man wirklich die Neuorientierung damit beginnen, daß man — sei es zunächst auch nur auf dem Felde der Statistik — den plattesten antisemitischen Liebhabereien huldigt? Auf alle Fälle: hier handelt es sich um Zeichen der Zeit, auf die rechtzeitig hinzuweisen, vor deren Folgen nachdrücklich zu warnen mir Pflicht scheint.

Frh. von Rheinbaben.

Berlin, 22. Oktbr. (W. B. Amtlich.) Die Nachricht einer Berliner Zeitung, daß Oberpräsident Staatsminister Freiherr v. Rheinbaben demnächst aus seinem Amte scheiden werde, ist nach hier an amtlicher Stelle vorliegenden Nachrichten unzutreffend. Freiherr v. Rheinbaben ist allerdings [illegible] vor einigen Wochen erkrankt. Es besteht aber sichere [illegible] daß er in absehbarer Zeit wieder vollständig herge-

***WARNING:* An exact reproduction of Scheidemann's remarkable prophecy, published on October 22, 1916, in the Frankfurter Zeitung.**

baiting characteristics are already noticeable. The German labor movement would very quickly and irresistibly win the power in the struggle against political privileges and domination of big capital unless its adversaries should succeed in time in deviating the less-informed masses of the German population from the general movement; in detracting them from the really significant aims of the struggle by leading them on to mere pseudo aims and thus render them harmless. That is the purpose which the anti-Semitic movement serves—a movement which now dares show its head in all places and which is able to register its first significant victory at a surprisingly early date in the above-mentioned decision of the Budget Committee.

This decision is partisan in the highest degree. If one really wants to take a census of the Jews, then one should not only count them in the War Industries Corporations, but also in the ranks of the volunteers at the front and in the *first-line trenches.* One should count them every place where, in the life of the German nation, they have accomplished remarkable things and where they have created things of permanent merit; one should not count them only in places where one hopes to find material for a totally unjust condemnation of all Jews.

The decision of the Budget Committee is in every direction wrong and absolutely unjustifiable; aye, it is an out-and-out disgrace. Or does one really wish to start the German reform by kowtowing—even if, for the time being, it be only in the field of statistics—to the most platitudinous anti-Semitic pet schemes? In any event, here we have symptoms of the present era. It appears to me to be my duty to point them out in time and to warn of their consequences in the most emphatic manner.

Frankfurter Zeitung, Frankfort Au Main, October 22, 1916, No 224, p. 4. Obtained and translated by Gordon Rend

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Symbol of Fear

The trial at Eastview, Ontario, of Dorothea Palmer is attracting nation-wide interest. Miss Palmer, a social service worker, is charged with disseminating birth control literature at Eastview, which is predominantly French and Catholic.

The Rev. C. E. Wilcox, general secretary of the Social Service Council of Canada, was cross-examined on a speech made at the Institute of Human Relations, at Massachusetts, when he declared his suspicion that the French Canadians were deliberately trying to outbreed the English-speaking population, and that the Dionne quintuplets, "although interesting as a biological phenomenon, are to many English-speaking Canadians the symbol of a great fear." Mr. Wilcox insists that the fear exists.

—*The Observer,* London, November 1, 1936.

CHRONOLOGY

Highlights of Current History, Nov. 10–Dec. 10

DOMESTIC

NOVEMBER 10—Delivery of American planes abroad delayed by new Roosevelt policy; types of fighting planes contracted by U. S. Army under ban until contracts are substantially filled for the military service.

Roosevelt pledges no new taxes; orders study of new NRA along lines of Federal Incorporation and Licensing Law.

Senator McKellar asks for Senate Investigation into *The Literary Digest's* 1936 Presidential poll; urges future straw votes placed under Federal supervision.

E. F. McGrady, Assistant Secretary of Labor, asks resumption of negotiations in San Francisco to end shipping strike.

NOVEMBER 11—William Green, President of A. F. of L. and member of the United Mine Workers of America, cited to appear before miners' executive board to answer complaints of "conspiracy" to suspend his own union from A. F. of L.

Shipowners and International Seamen's Union refuse to cooperate with Strike Strategy Committee in peace move on Atlantic Coast.

NOVEMBER 12—Eugene O'Neill, American playwright, awarded Nobel Prize in Literature; Professor Carl David Anderson, of California Institute of Technology, shares Physics Prize with Austrian (Professor V. G. Hess of Innsbruck University, Austria).

Harry L. Hopkins, W.P.A. Administrator, announces 28% decrease in relief clients from "peak" load of 5,316,000 cases reached in January 1935.

Giant bridge over San Francisco Bay opened; longest in world over navigable waters.

Leaders of building trades department of A. F. of L. propose craft union drive to combat Committee for Industrial Organization.

NOVEMBER 13—W. E. Hutton & Company cited by SEC; charged with manipulative activities in the common capital stock of Atlas Tack Corporation.

President Roosevelt supports union opposition to proposal of steel mills to adjust wages in line with cost of living as shown by Labor Department's index; 5% maximum fluctuation permitted.

Metal trades department instructs President John P. Frey to introduce in A. F. of L. convention resolution calling for revocation of charters of the ten C. I. O. unions.

NOVEMBER 14—West Coast maritime strike deadlocked; New York strikers picket ship by land, sea, and air.

Executive council of A. F. of L. rejects proposal for arbitration of controversy with C. I. O.

NOVEMBER 15—Executive council of A. F. of L. in annual report condemns C. I. O. for refusing to confer with committee and for declining to dissolve and cease its allegedly dual or rival activities.

Edward F. McGrady moves for peace negotiations in West Coast maritime strike.

NOVEMBER 16—Eight mayors of Atlantic, Pacific, and Gulf seaport cities sign open letter appealing "to all parties concerned" in West Coast maritime strike to submit differences for arbitration by Government committee.

Three million Social Security blanks distributed to nation's employers.

A. F. of L. opens convention at Tampa, Florida; President Roosevelt sends message of optimism.

John G. Winant returns to chairmanship of Social Security Board after resignation during campaign to answer what he considered unfair charges of critics.

Professor Arthur H. Compton describes new "cosmic ray telescope" to National Academy of Sciences.

NOVEMBER 17—Mme. Ernestine Schumann-Heink, noted singer, dies.

Rexford Guy Tugwell resigns as Under-Secretary of Agriculture and Resettlement Administrator.

Harry L. Hopkins, WPA Administrator, tells U. S. Conference of Mayors in Washington that shorter hours and aid to young and over-age workers are necessary before ultimate recovery.

President Roosevelt leaves for Buenos Aires to address opening session of the Inter-American Conference for the Promotion of Peace, December 1.

Charles A. Edison named Assistant Secretary of Navy.

A. F. of L. meeting in Tampa, Florida, divided on C. I. O.; eight resolutions support Lewis, two condemn.

Atlantic and Pacific Coast Seamen's Unions and Atlantic shipowners reject mayors' arbitration plea; West Coast shipowners and rank-and-file strikers in New York express willingness to cooperate.

Four thousand workers join "sit-down" strike at Bendix Products Corporation, South Bend, Indiana.

NOVEMBER 18—Bendix Corp ration officials and C. I. O. representatives confer in effort to settle strike; several hundred workers continue self-imposed imprisonment in plant.

NOVEMBER 19—A. F. of L. votes condemnation of Atlantic Coast maritime strike; charge seamen are "aided and abetted by communists".

President Roosevelt, in message to Business Advisory Council of the Department of Commerce, asks cooperation of private business in solving reemployment, betterment of living

conditions in low income groups, and improvement of wages and working conditions of industrial employes.

Atlantic Coast seamen sue to void working contract as illegal; action names 34 ship lines and officials of International Seamen's Union.

NOVEMBER 20—Joseph E. Davies, of Wisconsin, appointed Ambassador to Russia.

A. F. of L. Convention votes boycott of union label of Amalgamated Clothing Workers of America, C. I. O. affiliate; first formal move against C. I. O.

Secretary of Labor Perkins announces 220,000 persons returned to work in private manufacturing and non-manufacturing industries from mid-September to mid-October, 1936.

NOVEMBER 21—Civic and business groups ask personal intervention of President Roosevelt to end maritime strike.

NOVEMBER 22—Charles P. Howard, president of the International Typographical Union, warns of bolt from A. F. of L. if executive council persists in "interfering" with affiliated unions.

NOVEMBER 23—A. F. of L. delegates vote support of Executive Council's suspension of C. I. O. unions; continues special committee to explore basis for peace.

O. P. Van Sweringen, railroad magnate, dies.

United States Supreme Court on split decision upholds constitutionality of New York Unemployment Insurance Law.

National Retail Dry Goods Association adopts proposal for voluntary agreement among merchants; program covers relations with consumer, government, employees, and producers.

United States State Department orders Embassy at Madrid closed; temporary Embassy established at Valencia

NOVEMBER 24—National Retail Dry Goods Association resigns from United States Chamber of Commerce; charges "inadequate representation of retailing".

Licensed ship officers join maritime strike in Atlantic and Gulf Ports.

NOVEMBER 25—Federal Jury at Jonesboro, Arkansas, convicts Paul D. Preacher, planter-peace officer, of violating anti-slavery statute; sentenced to two years in prison and fined $3,500.

Longshoremen at Havre, France, boycott United States liner Washington; American union affiliate threatens reprisals.

Bendix plant strike ends; company officials recognize union.

Three months strike of Seattle Post-Intelligencer ends.

NOVEMBER 26—John Boettiger, President Roosevelt's son-in-law, named publisher of Hearst's Seattle *Post-Intelligencer*..

United States Treasury reports net capital movements into United States for 1935 and first nine months of 1936 amounted to $2,281,659,000.

French maritime labor leaders begin international drive against American Flag ships; Havre dockworkers continue boycott against United States liner Washington; shipline officials appeal to French government.

NOVEMBER 27—Four maritime unions on Atlantic Coast sign agreements with two American Flag lines; Prudential Steamship Corporation and Trans-Oceanic Steamship Corporation agree to recognize unions.

A. F. of L. convention at Tampa, Florida, ends; re-elects William Green president and votes demand for Federal thirty-hour-week law.

United States State Department makes formal request for debt payments due December 15 from thirteen nations.

NOVEMBER 28—New York Board of Trade appeals to Secretary of Labor Perkins to recognize maritime strike as national emergency; asks government intervention.

A. F. of L. Executive Council refuses to lift suspensions of ten C. I. O. unions prior to joint conference.

Reciprocal trade agreement signed by United States and Costa Rica, subject to approval of Costa Rican Congress.

NOVEMBER 29—Senatorial committee reports $13,000,000 spent in Fall presidential campaign by all parties; Republican National Committee spent $7,400,000, and Democratic National Committee spent $3,400,000.

DECEMBER 1—New York Federal project workers strike against impending dismissals.

Diplomats' marriages to foreigners curbed; must get Washington permits or lose jobs.

Acting Secretary of State R. Walton Moore reports France ready to discuss war debts.

DECEMBER 2—Former President Hoover warns engineers at New York that U. S. is heading for debacle like that of 1929.

International Longshoremen's Association refuses to unload cargo of French liner Champlain; retaliates against French unions.

United States Customs Court, in New York, dismisses test case on constitutionality of Reciprocal Trade Agreements Act.

DECEMBER 3—Dr. Francis E. Townsend, old age pension planner, and two aides indicted on contempt charges by a Federal Grand Jury in Washington.

Executive council of U. S. Conference of Mayors cables appeal to President Roosevelt in South America to countermand orders for relief reduction.

DECEMBER 4—Leon Jouhaux, president of the French General Federation of Labor, orders longshoremen to abandon boycott of American Flag ships.

DECEMBER 7—United States Treasury offering of $700,000,000, in 13 to 17 year bonds oversubscribed.

Federal Judge George C. Sweeny in Boston, upholds right of Congress to levy payroll tax on employers for unemployment compensation under Federal Social Security Act.

Harry L. Hopkins, W. P. A. Administrator, postpones W. P. A. curtailments in New York; to confer with Mayor La Guardia.

DECEMBER 8—W. P. A. to turn 250,000 drought sufferers over to Resettlement Administration; 75,000 others to continue on W. P. A. projects through winter.

INTERNATIONAL

NOVEMBER 11—Austria and Hungary implicitly recognize Ethiopia at opening of Vienna conference of signatories of Rome protocols of 1934.

NOVEMBER 12—Conversations, between Rome and London concerning Mediterranean, promise to restore Anglo-Italian friendship.

Austrian, Hungarian, and Italian Governments agree on Hungarian rearmament, but conference drops *objective* of *reconciliation* with Little Entente.

London non-intervention committee exonerates Russia of charges made by Italy.

NOVEMBER 13—Italy denies that she contemplates an attack on Russia, even though she is combatting communism.

NOVEMBER 14—Germany renounces international control of her principal waterways, regaining full sovereignty over her own territory; Rhine, Elbe, Oder, and Danube Rivers repatriated.

NOVEMBER 16—Germany protests Soviet arrest of German citizens as spies.

Czechoslovakia and Yugoslavia sole nations to join French protest against German waterways move; Great Britain mildly chides Reich.

NOVEMBER 18—Germany and Japan negotiating pact for mutual assistance against Communist International and its policy of forming "popular fronts"; military character denied; Italy expected to join, with mutual recognition of Manchukuo and Ethiopia.

Germany and Italy recognize rebel Government in Spain; Vatican expected to follow suit; Great Britain maintains non-intervention policy.

NOVEMBER 19—Meeting of Fascist Grand Council indicates that Italy, while still adhering to non-intervention pact, will give General Franco aid necessary to ensure victory.

Great Britain inquires whether Franco will establish safety zones at Barcelona as well as at other Spanish ports, implicitly recognizing rebel right to blockade Catalonian coast and bombard Barcelona.

NOVEMBER 20—Soviet Government warns Japan that Berlin-Tokyo pact will *injure* Russo-Japanese relations.

Foreign Secretary Anthony Eden declares that British arms will be used (1) to defend France, Belgium, Egypt, and Iraq against unprovoked aggression; (2) if western European settlement is achieved, to defend Germany against flagrant attack; (3) under provisions of League Covenant.

Italy will seek to prevent Soviet aid to Spanish loyalists via Mediterranean, *Giornale d'Italia* states.

NOVEMBER 21—Statement following visit of Dr. Guido Schmidt, Austrian Foreign Minister, to Berlin stresses "Pan-German solidarity."

NOVEMBER 22—Rumania forbids border visits of propagandizing Nazi students from Germany.

Madrid claims fleet attacked by "foreign" submarines; France and Great Britain disagree over recognition of Franco's belligerent rights.

NOVEMBER 23—Netherlands and Switzerland join gold accord of September 25; Belgium officially confirms adherence.

Italy may reopen question of U. S. debt payment.

Admiral Horthy, Hungarian Regent, to visit Rome to emphasize friendly relationships following Mussolini's espousal of cause of treaty revision.

Great Britain not willing to accord Spanish rebels belligerent status carrying right of search; forbids British ships to carry supplies to Spain; Madrid accuses Germany and Italy of aiding rebel fleet.

NOVEMBER 24—Nobel Peace Prize for 1935 awarded to Carl von Ossietsky, German pacifist imprisoned by Nazis, and for 1936 to Dr. Carlos Saavedra Lamas, Argentine Foreign Minister; Germany enraged.

General Franco ignores British inquiry concerning establishment of safety zones for foreign shipping at Barcelona; British send submarines to patrol Spanish waters.

NOVEMBER 25—German-Japanese pact signed; explicity aimed at Comintern and not Russia; military character denied; supplementary clauses delimiting spheres of influence in East Indies suspected.

NOVEMBER 26—Soviet Congress dares Germany to attack; German press attacks Bolsheviks; Japanese press dubious of value of treaty.

Victor Antonescu, Rumanian Foreign Minister, visits Warsaw to reaffirm Rumanian-Polish neutral alliance weakened by Polish suspicion of M. Titulescu's friendliness to Russia.

France requests Portugal and Russia to observe non-intervention agreement; Franco, at British insistence, establishes safety zone at Barcelona; Anglo-Italian friendship grows with Italian denial of designs on Balearics.

NOVEMBER 27—Foreign Secretary Eden assures Belgium of British military assistance in event of aggression; statement provoked by German Ambassador von Ribbentrop's assurance to Hitler that Germany had nothing to fear from Great Britain.

Sir Basil Zaharoff, armament salesman, dies.

Spanish Government appeals to League of Nations, invoking Article XI and requesting Council to examine situation caused by Italian and German armed help to, and recognition of, rebels.

NOVEMBER 28—Soviet sees German-Japanese treaty as mask for armed action against her; expects Italy to join on same basis.

Soviet seen as sole supporter of Spanish appeal to League; France and Great Britain embarrassed and annoyed.

NOVEMBER 29—Regent Horthy of Hungary welcomed in Austria.

NOVEMBER 30—Germany fears Japanese pact will alienate Great Britain.

DECEMBER 1—France expresses desire for settlement of U. S. debt.

Five thousand Germans landed at Cadiz to aid rebels.

League of Nations Council summoned for December 10 to deal with Spanish complaints against Germany and Italy.

DECEMBER 2—Japan recognizes Italian conquest in Ethiopia.
Non-intervention committee submits proposal for supervision of Spanish ports; Portugal abstains from vote; acceptance by Spanish combatants unlikely.

DECEMBER 4—France pledges armed aid to Great Britain and Belgium.

DECEMBER 9—Great Britain and France propose embargo on all foreign aid for Spanish combatants to be followed by plebiscite to settle war; Russia reported favorable to plan.

SPANISH CIVIL WAR

NOVEMBER 10—Madrid damaged by rebel bombs; both sides claim victory after fighting in capital's outskirts.

NOVEMBER 11—Loyalists check rebel forces besieging Madrid; recapture Villaverde, four miles south of capital; rebels launch attack on Madrid from north.

NOVEMBER 12—Loyalists report slight gains on rebel main line outside Madrid; two rebel planes shot down; thirty women and girls killed fighting in Madrid trenches; loyalists bomb Casa de Campo.

NOVEMBER 14—Loyalists gain; four rebel planes shot down over Madrid.

NOVEMBER 15—Rebels slaughter noncombatants in Madrid; loyalists blow up Franceses Bridge to halt advancing rebels.

NOVEMBER 16—Rebels fire Madrid areas with incendiary bombs; rebels penetrate University City within Madrid limits.

NOVEMBER 17—Rebels pound Madrid with artillery and aerial bombardment; many killed in air raids; rebels retain positions in University City despite loyalist counter-attacks.

NOVEMBER 18—Heavy fighting in streets of University City; rebels continue Madrid bombardment; loyalists bomb rebel airport at Avila.

NOVEMBER 19—Rebels attack Manzanares River front, south of Segovia Bridge; artillery and air bombardment of Madrid continues.

NOVEMBER 20—Loyalists driven back across Manzanares River in Casa de Campo section; rebels concentrate forces for final drive.

NOVEMBER 21—Loyalists surround rebels in University City; icy rains prevent air attack.

NOVEMBER 22—Loyalists check foes in University City; rebels resume bombardment of Madrid.

NOVEMBER 23—Loyalists report gains in northern offensive.

NOVEMBER 24—Loyalists investigate German and Italian Embassies; political refugees secluded in German Embassy arrested.

NOVEMBER 25—Loyalists repulsed at Talavera, seventy miles southwest of Madrid.

NOVEMBER 26—Rebel advance checked in University City.

NOVEMBER 28—Loyalists report capture of three towns in new offensive against Oviedo in Austurias Province.
Rebel flank attack on Madrid repulsed.

NOVEMBER 29—Loyalists gain in general offensive; rebel planes bomb Madrid.

NOVEMBER 30—Strong rebel attack on Pozuelo de Alarcon repulsed by loyalists; five rebel planes bomb Madrid causing slight damage.
Loyalists announce new offensive in Alava Province.

DECEMBER 1—Loyalists attack on all fronts; slight gains reported in northern drive against rebel headquarters.

DECEMBER 3—Rebels bomb Madrid; loyalists repulse rebel attack on western outskirts of Madrid.

DECEMBER 4—Thirty rebel planes bomb Madrid; loyalists repulse savage rebel attack on northwest outskirts.

DECEMBER 5—Twenty killed in rebel air raid on Madrid.

DECEMBER 6—Loyalists report capture of San Tolis in Guadalajara sector.

DECEMBER 7—Rebel artillery bomb western outskirts of Madrid.

DECEMBER 8—Loyalists bolster Madrid barricades.

FOREIGN

Danzig

NOVEMBER 16—Poland to appoint stronger official as High Commissioner in view of Danzig Government's treatment of Polish minority.

NOVEMBER 29—Socialists to take seats in Diet, Nazis having backed down after Polish threats.

Egypt

NOVEMBER 14—Parliament ratifies Anglo-Egyptian treaty, making Egypt independent with Great Britain as ally. British forces eventually to be withdrawn from Cairo and Alexandria, but permanent garrisons to be left in Suez Canal zone.

Ethiopia

NOVEMBER 27—After two months' march from Addis Ababa, Italians occupy Gore.

Far East

NOVEMBER 11—China fears that President Roosevelt's restriction upon exportation of planes will affect her expansion plans.

NOVEMBER 12—Combined Mongol-Manchukuoan forces repulsed in attack on Suiyan; Chinese report invaders backed by Japanese planes and tanks.

NOVEMBER 16—General Hashimoto, Japanese chief of staff, frankly admits Japanese sympathy for Mongol Manchukuoan activities as effort to establish autonomous regimes in North China and to prevent linking of China and Russia through Outer Mongolia.

NOVEMBER 19—China rallies to defense of Suiyan; Chinese press demands offensive action.

NOVEMBER 23—Japanese claim victories for Mongolian force; Chinese Central Government troops massing for offensive in Eastern Suiyan.

Japanese budget for 1937 fixed at 3,040,000,000 yen, of which Army and Navy are to receive 1,400,000,000 yen.

NOVEMBER 24—With arrival of Central Government forces Suiyan defenders outnumber invaders by 4 to 1.

NOVEMBER 26—Governor of Suiyan threatened that Japanese Army would be thrown into the province following Chinese capture of Peilingmao.

NOVEMBER 29—Japan plans army equal to any that Russia can muster in Far East.

DECEMBER 5—Japanese Ambassador Kawagoe leaves Nanking after three months' vain effort to settle Japanese demands.

DECEMBER 6—Japan lands armed force at Tsingtao because of strikes in Japanese textile mills; demand that Japanese share control of situation with Chinese authorities.

DECEMBER 8—Japanese Foreign Minister Hachiro Arita resigns as Berlin-Tokyo pact ruins Russo-Japanese fishing agreement.

DECEMBER 10—Japanese statement implies withdrawal of Japanese demands for North Chinese autonomy and collaboration with Chinese Government in anti-communist campaign.

France

NOVEMBER 13—Insult flung at Premier Blum during debate on Minister Salengro's war record precipitates violent scene.

NOVEMBER 18—Roger Salengro, Minister of Interior, commits suicide after scurrilous press campaign concerning his war record.

NOVEMBER 19—Salengro's suicide threatens anti-Rightist demonstrations; M. Blum appeals against violent reprisals; difficulties encountered in finding successor.

Italian and German recognition of General Franco strains foreign policy.

NOVEMBER 21—Twenty thousand on strike in Toulouse, Lille, Bordeaux, on eve of Salengro's funeral.

NOVEMBER 22—Premier Blum promises heavy penalties against slander; Salengro buried at impressive funeral; no outbreaks of anti-Rightist violence.

NOVEMBER 24—Radical Socialist Deputy to urge debt agreement with U. S. A.

NOVEMBER 27—General Confederation of Employers refuses to arbitrate industrial disputes and ends negotiations with Government; M. Blum threatens bill to enforce arbitration.

DECEMBER 2—Communists announce that they will break away from Popular Front over non-intervention policy regarding Spain.

DECEMBER 5—Despite refusal of Communist support, policy of neutrality upheld in Chamber of Deputies.

DECEMBER 6—Premier Blum makes every effort to heal rift with Communists; demands their future loyalty to Popular Front.

DECEMBER 9—Report loan of 17,000,000,000 francs sought from United States to cover budgetary deficit.

Germany

NOVEMBER 14—Decree issued by Dr. Schacht places formerly all-powerful cartels under industrial group organization through which Nazis control industry.

NOVEMBER 17—October exports up to 431,500,000 marks—highest figure since 1933 and 5% above September; imports increased and surplus balance maintained.

NOVEMBER 19—Decree compels deposit of foreign securities in Reichsbank to prevent escape of capital abroad and to divert funds to new Government loan.

NOVEMBER 27—Dr. Joseph Goebbels, Propaganda Minister, prohibits all art criticism; writers to confine their efforts to "description."

NOVEMBER 29—Air Minister Hermann Goering states that Germany is stronger than in 1914 owing to absence of parliamentary curb.

DECEMBER 1—Death penalty decreed for hoarding and "economic sabotage."

Lawrence Simpson, American sailor sentenced on September 29 for sedition, to be freed.

DECEMBER 7—Government loan of 500,000,000 marks oversubscribed and increased to 600,000,000.

DECEMBER 8—Bishops and pastors installed by Government to administer Protestant Church rebel against official anti-Christian attitude.

DECEMBER 9—Dr. Schacht predicts international conflict unless German colonial demands are satisfied.

Great Britain

NOVEMBER 11—Walter Runciman, President of Board of Trade, tells House of Commons that he will discontinue subsidies to British shipping after 1937.

NOVEMBER 12—Rearmament assailed as too slow in House of Commons debate.

NOVEMBER 16—Labor Members of Parliament refuse to meet King on visit to South Wales as protest against Cabinet's policy of inaction.

Public order bill, banning political uniforms, passes second reading, without requiring vote.

NOVEMBER 17—Ellen Wilkinson, Socialist M.P., inquires why pages are cut out of certain U.S. magazines.

Walter Runciman admits "informal and exploratory" trade discussions opened with United States.

NOVEMBER 18—Lord Stanhope, First Commissioner of Works, tells House of Lords that system of voluntary enlistment is in danger; hint of conscription seen.

King Edward VIII enthusiastically welcomed during visit to depressed areas of South Wales.

NOVEMBER 19—Lord Lloyd delivers strong attack on Premier Baldwin for failing to rearm more decisively.

King promises South Wales, "We must see what can be done."

NOVEMBER 20—Bill providing wide reforms in divorce law given second reading.

NOVEMBER 25—"King must be above reproach or ridicule," London *Times* warns.

NOVEMBER 27—Emergency meeting of Cabinet called to discuss King's friendship for Mrs. Simpson and his promise of help for South Wales coal miners.

NOVEMBER 30—Labor agrees not to govern should Premier Baldwin be forced to resign over King's abdication; London *Times* issues veiled warning to monarch.

DECEMBER 1—Bishop of Bradford publicly rebukes King Edward; press silence broken.

DECEMBER 2—Constitutional crisis feared as King insists that his marriage is a private matter, Cabinet that it is not. Abdication reported as possible outcome.

DECEMBER 3—House of Commons refuses King a morganatic marriage act; King consults with Queen Mary, Duke of York, Stanley Baldwin. Abdication held likely. Dominions back Cabinet.

DECEMBER 4—Sixty members of Parliament, led by Winston Churchill, back King; Mrs. Simpson leaves for France; deadlock continues.

DECEMBER 5—Abdication of King seen as certainty; his Parliamentary support proves weak.

DECEMBER 6—Cabinet grants King more time in which to make decision.

DECEMBER 7—Belief spreads that King will give up Mrs. Simpson; Baldwin cheered in House of Commons; fascists seize opportunity of supporting King against Parliament.

DECEMBER 8—King and Mr. Baldwin hold a 5-hour conference—either a farewell or a reconciliation. Mrs. Simpson's offer to leave King held no solution. German press proclaims its nobility in refraining from comment on affair.

DECEMBER 10—King Edward abdicates. Duke of York to become King George VI.

India

NOVEMBER 13—Twenty-four-year-old Maharajah of Travancore declares that no subjects shall be barred from temples on account of "birth, caste or community"; decision hailed as greatest reform in Hinduism for 800 years; Cochin and Mysore expected to follow suit in emancipation of "untouchables."

Mexico

NOVEMBER 22—Government announces intention of mediating proposed strike of 16,000 oil workers over refusal of companies (mostly British and American controlled) to accept draft labor contract drawn up by workers' syndicate.

NOVEMBER 23—Government expected to rule oil strike "non-existent" in view of unexpired contracts.

NOVEMBER 25—Maritime workers threaten strike against invasion of activities by oil workers' syndicates. Twenty-nine oil companies unite against strikers.

DECEMBER 6—Mexico to admit Trotsky as political exile.

Palestine

NOVEMBER 12—British Royal Commission arrives; decision of Arab High Committee to boycott Commission deplored.

Pan America

NOVEMBER 27—Speaking before joint session of Brazilian Congress, President Roosevelt pledges U. S. against invasion.

NOVEMBER 28—In order to avert clashes, Chaco conflict excluded from agenda of Pan American conference.

NOVEMBER 30—President Roosevelt receives great ovation at Buenos Aires.

DECEMBER 1—In opening address, President Roosevelt appeals to New World to unite to help Old World avert war and to stand together in case of aggression from abroad.

DECEMBER 6—U. S. offers pact to keep Americas neutral; funds and arms to be barred belligerents; mediation body to be set up.

DECEMBER 7—Argentina balks at holding aloof from Europe; long private session seeks positive neutrality program.

Nicaragua opposes American disarmament.

DECEMBER 8—Dr. Saavedra Lamas, Argentine Foreign Minister, said to be hostile to a generalized Monroe Doctrine.

Peru

NOVEMBER 14—Congress prevents election of Socialist Premier by extending Dr. Oscar Benavides' term by 3 years on grounds that Socialist candidate received support from outlawed Communists.

Soviet Union

NOVEMBER 15—Arts committee of Council of People's Commissars bans comic opera on grounds that it ridicules Christianizing of Russia in tenth century.

NOVEMBER 17—Wedding rings, the symbol of bourgeois morality, formerly bootlegged, now to be manufactured by state; Commissar for Justice urges strict lifelong monogamy.

NOVEMBER 19—One German and seven Russians admit sabotage; face death penalty.

NOVEMBER 24—Eighth Congress of Soviets to adopt new constitution which will replace it with new bi-cameral legislature.

NOVEMBER 25—Joseph Stalin presents new constitution; declares Russia now has socialism.

NOVEMBER 29—All-Union Congress of Soviets told that Russia has 7,000 airplanes.

DECEMBER 5—New constitution adopted by Congress.

Switzerland

DECEMBER 9—David Frankfurter, Yugoslav Jew, admits killing William Gustloff, Swiss Nazi chief.

Many Cancers are Curable

Medical experts state that many cancers can be cured if discovered and treated in time—but time is the all-important element.

Cancer in its early stages can often be destroyed by radium and X-rays, or removed by surgery. An increasing number of cases are being discovered early and the technique in successfully removing or destroying these cancers is steadily advancing. Full recoveries have been made in thousands of reported cases in which patients were on the alert and sought early, competent treatment.

Physicians warn against neglected conditions which are known to precede the onset of cancer—lumps, unusual discharges, wounds that will not heal, moles and warts that change in size and color, or other abnormal conditions. Continued irritation of any part of the body is often the beginning of trouble.

If your family doctor finds a suspicious condition he presumably will not pass judgment as to whether or not it is cancer until he can get complete scientific confirmation.

Many people who fear they have cancer are worrying without cause. A complete physical check up which shows there is nothing wrong is a very comforting assurance. Thorough and competent periodic physical examinations may help doctors to discover cases of cancer while there is still time for successful treatment. Should suspicious symptoms appear at any time, see your doctor at once.

The Metropolitan will gladly send you its free leaflet on cancer, "A Message of Hope." Address Booklet Department 137-K.

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Speaking of Travel

NO MATTER what the protestation, whether elderly self-betterment, or adolescent curiosity, the traveler is a notorious escapist. It is a futile flight. Nowhere under the sun is there escape from the pulsing currents of man's restlessness. But there is exaltation in severing the shackles of immediate environment. What is more enjoyable than quitting the hearth and home, the plaintive maid, the routine cookery, and the rasping familiarity of too familiar friendship, leaving them all behind to escape among casual acquaintances to where new vistas await the eyes? For instance, vistas in the Austrian Tyrol; old vistas, perhaps, and yet new with each cloud of driven snow. Here, the escapist thrives. Let him master the technique of binding long laths of ash or hickory to his feet for a swift slide downhill, and he will discover that he has escaped the mundane, in fact, and effected a liaison with the birds. Nothing is more exhilarating, nothing more exacting than skiing. It is a sport demanding complete mastery, complete subjugation of the physique to the abstraction of "balance." In the past it was a specialized function for the élite; more recently it has become the property of thousands.

From Italy, Austria, Yugoslavia, Switzerland, and France comes the grim information that these nations, fringing the great natural barrier of the Alps, are taking up skiing, not for exhilaration, not for exercise, but as a necessary supplement to that dangerous and fascinating game of war. Even the incorrigible escapist riding the Alberg Express must realize, after passing an occasional troop-train weighted with guns and men with their skis and snowshoes, that nowhere, not among the eternal snows, the mountain fogs of cloud and mist or the driving blizzard, can he escape the disgusting preparations for a wholesale slaughter.

Many will remember the last war, and the fighting that occurred when the Italians and Austrians faced each other across the valleys and along the Alpine mountain-sides. It was a weird experiment in killing, and sacrilegious to those who have known and loved the profound silence and isolation of the snowy mountains. Then machine guns rattled and the hoarse tones of howitzers were trimmed to a thin rasp by the intense cold, and men poured out their lives in obscene stains on the pure whiteness of the fleecy blankets. It was an impossible conflict

SOVIET'S NEW STRATEGIC RAILWAY

nducted in slow motion over an impassable ter-in, although a preferable way to live and die the soldier who had known the stinking enches of the lowland. And yet if the last lpine war was incredible, what of the next?

Many observers are firm in their belief that the event of conflict the most decisive battles ll be fought along the ramparts of the quiet opes isolating Italy from the rest of the con-ient. Recently the possibility of war has become condary to the realignment of Europe, making cessary a shift of defenses and the pointing of in tubes in directions which had heretofore been nsidered friendly. Alpine armament and ountain-trained soldiers have steadily increased importance, since the countries most likely to me into a major conflict have their borders on e mountains. Switzerland, secure in 1914, has come a possible road for the Nazis who may, may not, march against France, since Belgium ould seem to be out as a prospective route fol-wing the firm pronouncement of Britain that iother invasion of that territory would not be lerated. And so the Swiss are put on the spot, r it is through the Jura Mountains that the road France lies. And France, knowing this, pre-ires to close the mountainous gap in her de-nses.

easts of Burden

Along the southwestern borders, the French *hasseurs Alpins* maneuver on skis, while on the her side of the Alps, Italian *Bersaglieri* drag mountain guns to heights where breathing is bored in the thin air. The German, Austrian, wiss, and Slav also labor indefatigably, experi-enting with new instruments and tactics adapt-le to the rugged snowy terrain.

Skiers who have had experience in climbing e rigorous slopes will appreciate the insuper-le difficulties of hauling guns, ammunition, d supplies over their slippery surfaces; and mpathy will be extended to the soldier who ust not only pull and haul, but also carry a fle and heavy pack. For it will be upon these eel-muscled, leather-lunged humans that the ar will depend. The mountains, if they have me nothing else, have restored man to a position importance in the waging of war. In mod-ately rolling country, or on level ground, the fantry must rest its progress on the fire-power artillery, on the mobility of tanks. But in the ountains, high above the reeking filth of mud d human warrens, with a precipitous drop hind and a sheer ascent before, it will be the ıman beast with the greatest determination and ute strength who will win.

The Elements

Although war in the Alps will ostensibly be waged between armies, the elements will in turn wage war on all men, making, in savage fury, their most tremendous works seem like the labor of ants. No preparation can entirely thwart this ever-present danger. Men will be swept away in an avalanche of snow; blizzards will cut them off, and they will slowly freeze to death. Against such elementary violence guns will be a mockery; strong limbs and a cool head are the only possible weapons of defense. Unhappily the makers of cannon can supply none of these.

The Alberg Crouch

Of all the diabolic inventions of man, the one most likely to dominate, in part, the waging of an Alpine war will be a skiing technique originally intended for sport, evolved by the master who reigns supreme at the Alberg ski school. Hannes

Pictures Inc.

WAITING: A sharpshooter of a German ski patrol awaits an appointment.

Schneider, inventor of the Alberg crouch, since made famous throughout the world, has indirectly contributed to the science of war. Last winter more than 8,000 Americans made the pilgrimage to Austria to learn or perfect something of Herr Schneider's technique. This is an insignificant number compared to the armies which have embraced it. In the handling of large bodies of men, where maneuvering involves excessive expenditure of energy, even the most trivial or superficial motion is of importance. Herr Schneider's technique has reduced skiing to the simplest forms, eliminating strain and making it possible to negotiate slopes heretofore barred to all but the most expert.

The Alpine armies have adopted Schneider's Alberg technique, in some cases with modifications. Unfortunately, in the future, troops will slide gracefully down long slopes employing the Alberg crouch, and carrying, of course, machine guns and rifles with which to kill other skiers also employing the same Alberg crouch. Let the escapist blink this ugly possibility during his next slide downhill.

Strategic Railway

Perhaps no railway construction in the world has attracted so much attention as the new branch of the Trans-Siberian Line, only recently completed by the Soviets. None need do more than glance at a map of Siberia to understand the significance of such a line. Strategy, a word familiar even to children, figures prominently in the pattern of its construction. Heretofore, the old Trans-Siberian Line has been the sole line communication between the Maritime Province and Moscow. From Omsk to Vladivostok it is single track, an impossible condition in an emergency when supply trains must, of necessity, run in both directions unimpeded.

The new line, called BAM (Baikal-Amur-Magister) some 2,000 miles long rectifies this strategic deficiency. It branches northward from the Trans-Siberian Line at Taishet, east of Lake

aikal, and runs north of that lake, through im-ortant iron, coal, and gold regions, to Kom-molsk. There it divides into three branches, ne going northward to Nicolaievsk, another estward to a new port the Soviet is establishing, nd the third southward to Khabarovsk and the rans-Siberian. It is understood to be a double-ack line, although the Soviets have released no fficial statement confirming this fact.

merican Equanimity

To most Americans, South America, and par-cularly the Argentine, is as remote as Siberia. nly the most ambitious travelers venture so far outh as Buenos Aires. However, in the inter-ediate distances there are islands and lands iat are becoming more familiar to the American aveling public with each passing year. Bermuda nd Nassau are famous, of course, since their cation makes possible the "quickie" vacation; nd the flavor of their hospitality, combined with ie amazing climate, create the exotic atmosphere ssential to Americans fleeing from America. ut more than that, the very fact that they are, nd remain, under British control should lend a ense of generous cooperation to the casual Amer-an tourist. Considering that the islands are ractically within blinking distance of the Amer-an mainland, none can doubt that it is mag-animity indeed to permit them to remain under ritish rule.

To labor the point, it is only necessary to nagine similar insular possessions located off he Japanese coast and under the control of some hird nation. Of course the howls of protest ould be terrific. Patriotic Japanese would char-cterize such islands as a "sword thrust at their eart", as a "threat to the peace." But the Amer-ans, bless them, tolerate an identical condition ith unshatterable equanimity. In time of crisis, owever, they may not be able to answer for heir actions. Blood and iron realism might equire a swift seizure of such strategic bases. nticipating the future, apologies are extended o the charming British for what might well be n unceremonious ejection.

In passing, it is worth while to note the peculiar ersatility of British rule. Recently, following a isturbing report of a rising birth-rate among he Bermudian natives, the British authorities dvocated severe birth-control impositions, de-igned solely for the native, of course. But can ne imagine similar action in the House of Com-nons, for instance, as a measure to rid them-elves of the posterity of the impoverished Welsh niners?

"Poor House"

Travelers, however, are penetrating further south than Bermuda. They have discovered Haiti, Puerto Rico, and the tiny islands of the Virgin, once tactlessly described by an American civilian authority as the "poor house." Such a statement of fact was relished neither by the islanders nor by the beneficent souls who visualize all Americans abroad, including themselves, as philanthropists. In the last few years something has been done, however inadequate. In the future tourists may bring the island "poor houses" a real prosperity, since, without doubt, they are as seductive a winter vacation ground as their more publicized neighbors.

The Argentine

No traveler can pass among these peoples of Central and South America without being impressed by the disparity of their culture and economic life. If the American wanders as far south as the Argentine he will be at home in the

climate, and, at the same time, amazed that such dissimilar civilizations could be evolved in identical temperate zones. Both the American and the Argentinian are children of the same seasons. Beyond that they have little in common. With Buenos Aires, a beautiful continental metropolis, as its capital, the Argentine boasts a rich country, feudal in social construction and heterogeneous in human composition. Among the people there is a deep distrust of America and all things American. Inspired by a virulent propaganda from abroad, and aided by much confirmatory evidence from the American business man, the Argentinian has come to regard the United States as an imperial monster eventually destined to subjugate and exploit the whole of South America. To them the "land of the brave and free" is *El Coloso del Norte*—an extremely bad neighbor who, under the guise of a protectorate, has acted infamously.

Such a deep-rooted feeling of injustice has been difficult to combat in the past. Our own champion of the people, Franklin D. Roosevelt, has just invaded their territory and, basking in the sincere warmth of their hospitality, attempted to lay the ghost of imperialism once and for all. Whether he succeeded will not be known for some time, although none will dispute that his visit helped to engender a more friendly spirit of neighborliness in a world where men are more prom scowl than to smile.

Pan American Difficulties

Many people are curious as to why the Sc American nations do not adopt the confrater of purpose distinguished in the United Sta And there are numerous explanations.

It has often been said that nations are creatures of their longitude and latitude. If is true the Americans and the Argentinians both citizens of the same environment, since t dwell in a temperate zone of similar uniform But other South and Central American count are not so fortunately blessed. In conseque the Pan American Conference has suffered severely from the disparity of the economic and the cultural background of its many part pants, as has its colleague, the League of Nati In the past tropical nations have brought tl own peculiar economic and political patterns the Pan American Conference, only to find tl hopelessly antagonistic to the conceptions of tl neighbors. Quite naturally they have looked e where for sympathetic understanding and h found it in abundance. Such shrewd traders the Germans and the Japanese have been quicl exploit incidents of disunity, using them as ef

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Hitler's High Command enjoys an outing in the Silesian Mountains.

ive wedges into the only continent not yet divided among the imperial powers. Meanwhile, the United States has been forced to sit back, glowering and mumbling about the Monroe Doctrine.

A Charming Smile

And, perhaps, there is poetic justice in the spectacle of Uncle Sam in the role of the orphan child. As a people, the Americans have done little to understand or aid the nations of South America. What emissaries we have sent into their country have been either diplomats, who must by code treat all nations in the same manner, or tourists who, instead of attempting to understand these people, have considered them, of all things, foreigners. Perhaps, President Roosevelt's visit has dispelled a great deal of the ill-will toward the United States and its people. At all odds the South Americans will not forget his sincere proclamation of peace and the charming smile that accompanied it.

The World in Books

(*Continued from page 9*)

administration has served to consolidate Mr. Nevins' position as one of our greatest contemporary historians.

It is to Mr. Nevins' further credit that he is the only author to have two books among the first ten selections. While *The Letters and Journal of Brand Whitlock* do not represent strict authorship, the work, nevertheless, is a product of careful arrangement and competent editing on the part of Mr. Nevins.

A Diplomatic History of the United States

Dr. Bemis, Farnam Professor of Diplomatic History in Yale University, has written more than a college text, for *A Diplomatic History of the United States* is a work that will be referred to by laymen as well as historians. Comprehensive and authoritative, it has the added advantage of being trenchant, understandable, and readable. Professor Bemis does not annoy the text with an over-abundance of forbidding footnotes merely for the sake of visible documentation. This is not to say that *A Diplomatic History of the United States* is not well documented; the book is unmistakably a work of commendable scholarship. But it has taken into consideration the increasing number of Americans who want a clear and intelligent background study as an aid to their understanding and evaluation of current American history.

A Program for Modern America

Dr. Laidler, a keen student of government and politics, has written a book which is destined to be even more valuable than his *Concentration of Control in American Industry*. The author carefully and honestly examines the outstanding issues of the day and analyzes, in the light of pragmatic history, the wide range of solutions proposed to meet these problems.

Hamilton Fish: The Inner History of the Grant Administration

Professor Nevins' work is outstanding both as history and as biography. Constructed with infinite care and dedicated to the religion of fact, *Hamilton Fish: The Inner History of the Grant Administration* is an impressive description of a great Secretary of State, as well as an authentic record and appraisal of the Grant Administration.

An American Doctor's Odyssey

Considering each of the ten books separately in the form of resumés of reviews appearing in *The World in Books*, Dr. Victor Heiser's *An American Doctor's Odyssey* would be outstanding in any year. Few personal narratives in recent years are as full-bodied and as richly flavored as this story of an American doctor's adven-

tures in forty-five countries. Supported by the Rockefeller Foundation, Dr. Heiser had free rein to travel all over the world and prove to people that sickness was not something as inevitable and unconquerable as a storm; medicine was not the invention of witch doctors but the result of hundreds of years of scientific research.

Inside Europe

The pen is mightier than the swords of a dozen dictatorships; at least, when wielded by Gunther. *Inside Europe* is a literary munitions works operating on double time and specializing in high explosives. Gunther has pried into places and the affairs of people regarded as important and has told just what he has seen, sometimes more. If it leans heavily towards sensationalism, it is also a welcome stimulant for meaningful thought on European affairs.

John Reed: The Making of a Revolutionary

Poet, playwright, war-correspondent, editor, and social thinker, Reed's life offered rich material for a biographical study of the calibre written by Granville Hicks. Mr. Hicks' work is highly sympathetic but makes no attempt at dramatization or minute shading of the facts for the purpose of glorifying the ideals uppermost in the minds of both subject and biographer. Mr. Hicks' prose is strong and well-defined. His only enthusiasm is for actual fact; in this, he has definitely succeeded.

The Downfall of the Gold Standard

Published at the beginning of the presidential campaign, Professor Gustav Cassel's work did much to clarify the real issues on the controversy over gold which arose at the time. The eminent Swedish economist sounds taps for any hope of an international gold-standard system. American experience conclusively proves, he contends, the futility of the orthodox doctrine that gold reserves would guarantee the maintenance of a gold standard. This nation had 4,084 millions of dollars in gold reserves in January, 1933—more than a third of the world's total supply—yet found such a reserve insufficient for maintenance of the gold standard. No greater recommendation could be given the book than to say that it makes the gold standard understandable.

The Letters and Journal of Brand Whitlock

As edited and selected by Allan Nevins, *The Letters and Journal of Brand Whitlock* (2 volumes) are an important contribution to historical literature. Whitlock's colorful career as reporter, lawyer, politician, author, and war-time Minister to Belgium, is reflected in an interesting and pleasant manner in this collection of his letters and diary.

The Flowering of New England

Van Wyck Brooks is one of America's greatest literary architects. Faultless as a proven mathematical formula, he has contributed a literary history of the first magnitude. Through the sparkling and fruitful pages of *The Flowering of New England*, one sees how literary genius lived, thought, felt, and therefore wrote, in the pre-Civil War days back to 1815. Van Wyck Brooks is the ideal critic—better still, interpreter—for his primary aim is not to criticize, but to evaluate. He sees clearly, and, unlike many of his contemporaries, can tell exactly what he sees, even to the smallest shades of color in the picture before him.

Sweden: the Middle Way

Many questions are answered in Mr. Childs' readable study of the Swedish cooperatives. Could American cooperatives eliminate the interminable series of middlemen who are largely responsible for high prices? In view of the success of Sweden's experiment, it would appear that the United States, too, might advantageously interest itself in the cooperative movement.

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CURRENT HISTORY

FEBRUARY 1937

ARTICLES

FEATURES

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THE WORLD IN BOOKS

Books Reviewed This Month

BOOK	AUTHOR	PUBLISHER	PRICE
The Human Comedy	James Harvey Robinson	Harpers	$3.00
Behind the Spanish Barricades	John Langdon-Davies	McBride	$2.75
Hitler Over Russia	Ernst Henri	Simon & Schuster	$2.50
We Can Defend America	Maj. Gen. Johnson Hagood	Doubleday, Doran	$2.50
The Ultimate Power	Morris L. Ernst	Doubleday, Doran	$3.00
Picking America's Pockets	David L. Cohn	Harpers	$3.00
John L. Lewis	Cecil Carnes	Speller	$2.50
The New Deal: An Analysis and Appraisal	Editors, *The Economist*	Knopf	$1.50
Forward with Roosevelt	P. J. O'Brien	Winston	$1.00
Denmark: The Cooperative Way	Frederic C. Howe	Coward McCann	$2.50
Government Finance	Jens P. Jensen	Crowell	$3.50
America's Foreign Policy in Canadian Relations	James M. Callahan	Macmillan	$4.00
The Battery	Rodman Gilder	Houghton, Mifflin	$4.50

By N. B. COUSINS

LITTLE moss has been allowed to grow on the literary effects of the late James Harvey Robinson. An armful of fairly representative Robinsoniana has been gathered up, assorted, and tied together by Harry Elmer Barnes, who calls the compilation, inevitably enough, *The Human Comedy* (Harpers, $3.00).

It is hardly to be expected that this posthumous volume will challenge in any way the rating of *The Mind in the Making* as Professor Robinson's greatest work. Yet *The Human Comedy* is to be welcomed, if only to make audible again the voice of the famous historian-philosopher on a civilization which is out of joint. Robinson thought of life as a human comedy—a drama in which man was never able to learn enough from history to fashion for himself an existence which knew neither war nor intensities of economic injustices.

Those who are familiar with Professor Robinson's works and divers periodical writings will say, and truthfully so, that little is revealed in *The Human Comedy* that has not already been identified with the author. Yet the book is definitely worth reading; it is a crystallization of some of Robinson's best ideas and should be welcomed by those who do not make a habit of running away from a little thought.

Had Professor Robinson lived one more year to see the second World War which is now in the making, he probably would have pushed back a bit his estimate of the day when man would be sufficiently advanced to enter the fuller life. But it is doubtful whether Robinson would have ever revised his faith in man to ultimately triumph on earth. For Robinson was an idealist to whom war, despotism, and economic suffering were but temporary setbacks in the struggle toward a higher civilization. Just as man has learned, even if only after repeated unfortunate experiences, that he must build his home in such a manner that it will resist wind and water, so will he eventually come to the realization that he must build against other destructive forces—war, famine, and intense nationalism.

It is possible, too, that Robinson would have changed somewhat his original definition of the term "human comedy," which he called a drama rather than "something humorous or facetious." Would he not now view it as an outright farce whose stage is a battlefield and whose characters know lines only as trenches from which death speaks? He would see an inflammable curtain go up to reveal a background black with cannon and other death devices inspired by the genius of

man's forgetfulness. He would recognize the play as one written and supervised not by directors but by dictators who are not on the actual stage or battlefield but in the sheltered wings from which they throw millions of people against each other in a competition of death. What description other than "farce" would fit the ludicrous persistency of man to annihilate himself and his creations?

Spanish Barricades

Such is the stage set today in Spain where Civil War has given germ to an embryonic Europe-wide conflict. John Langdon-Davies, an Englishman who learned to love Spain and its people by living there, makes the point in *Behind the Spanish Barricades* (McBride, $2.75) that we have come to the end of a period of national wars. Never again, he contends, will an united nation fight against another united nation; hereafter, war will involve civil war. The world is heading for an even sharper division of fascist and anti-fascist forces than it now knows. In the case of Great Britain, Mr. Langdon-Davies believes that the spread of the Spanish conflict to outright European war will find England divided almost exactly in two.

Mr. Langdon-Davies has been on the ground through most of the conflict and straddles no fence in his sympathies for loyalist Spain. He believes that intelligent people will not be easily fooled by propaganda charging that the defense of Spain is inspired and supervised by Moscow. He finds that the Spanish people as a whole have chosen to be loyal to the government they elected just one year ago this month. The proletariat is well represented, true, but they have been joined by the professional groups, the white collarites, and the peasants in an united front to save Spain from fascism and its by-products of discipline, suppression, and starvation. The Spanish people will not easily take to "heiling" and belt-tightening. They have logically enlisted, therefore, the author says, the aid of anti-fascist forces made available to them. But it is to be regretted, he adds, that their assistance from the bloc of anti-fascist countries has not been more positive.

But while the loyalists have comparatively little help, the forces of Franco have behind them as much military strength as Germany and Italy can possibly squeeze into Spanish fascist territory without spilling over into the surrounding sea. Mr. Langdon-Davies believes, moreover, that the battle is actually one of the Spanish people against the fascist states. He asserts that if it were not for the intervention of Italy and Ger-

many, the Spanish government would have su pressed the revolution months ago.

The most engaging aspects of *Behind the Spa ish Barricades* are the vivid accounts of life Spain, both before and during the war. The n rative is an effective literary instrument in t hands of Mr. Langdon-Davies who has devot most of his book to a running account of his e periences and observations in and out of the Spa ish barricades. His conclusions are stated w admirable candor but there will be many who w question the wisdom of his contention that t anti-fascist powers should not seek to mainta peace at all costs but band together in immedia war against Italy, Germany, and Japan.

Intervention and Hitler

There is nothing precisely new about forei armies in Spain. Ever since the Punic Wars 200 B.C. outsiders have used Spain as their batt ground, each time leaving behind the scars plunder, massacre, and ruin. The closest paral in modern times to intervention in Spain, howev was the Thirty Years' War which three centur ago ripped bare the fabric of civilization. Iro ically, in the Thirty Years' War it was Germa which was trampled upon as other nations ma it their battleground. It took Germany 150 yea to recover from the physical and economic dev tation—an historical fact which apparently h left little impress upon or is not known by th country's present fuehrer.

What the course of Germany's future will be

(*Continued on page 8*)

TO OUR READERS

THOUGH marked "February," this is the first issue of *Current History* actually published in 1937. Its timing suggests a word of appreciation for your generous support which has exceeded expectations and which we take to mean approval of such changes as have been made in the content and make-up of the magazine.

Believing that present-day history owes much to movements and activities beyond the scope of national, or even international politics, we have already introduced regular monthly features devoted to law, science, and religion. A new section, devoted to cultural trends and conducted by V. F. Calverton, will make its initial appearance in the March issue.

Mr. Calverton needs no introduction to *Current History* readers. His reputation as a keen student in the field of art and letters is well established. We feel confident that you will find his discussion of cultural trends, with particular reference to their bearing on the human drama, both helpful and stimulating.

Meanwhile, the program we are pursuing calls for certain readjustments within and certain additions to our staff.

Steven Cartwright becomes Managing Editor, with Norman B. Cousins and W. Carroll Munro as Associate Editors.

John Avery Curtis becomes Advertising Manager.

Leonard M. Leonard becomes Promotion Director.

Most important of all, perhaps, the newly formed Advisory Editorial Board (see pages six and seven), is now ready to take up its duties. This is a real working board. It will meet once each month to discuss editorial problems and policies. Its members will act in an advisory capacity, each in his particular field, and will make contributions to the magazine from time to time. That is why all of them are New Yorkers and why each was chosen because of his recognized authority in one or more particular fields. As you will note, this board includes historians, economists, educators, an expert on foreign trade, an internationalist, a psychologist and philosopher, a linguist, and theologian. We know that you will join us in welcoming the cooperation of such a body of distinguished scholars. It can not help adding greatly to the value of *Current History.*

M. E. TRACY

JOHN C. CASMAN

AN ANNOUNCEMENT AND AN INTRODUCTION

BEGINNING with this issue, CURRENT HISTORY announces the formation of an Advisory Editorial Board. The nine members of this board are shown at the right. Brief biographical notes of each member follow:

DR. NED H. DEARBORN, educator and author. At present Dr. Dearborn is dean of the Division of General Education, New York University. He is the author of *Once in a Lifetime; Social Studies in Teachers Colleges*, and other works on American education.

FREDERICK V. FIELD, economist and author. Mr. Field has been Secretary of the American Council, Institute of Pacific Relations, since September, 1934. He edited the *Economic Handbook of the Pacific Area*, and is the author of *American Participation in the China Consortiums; Conflict in the Far East*, and *Behind the Far Eastern Conflict*.

DR. EDWARD ROCHIE HARDY, theologian. Ordained in 1929 to the diaconate and in 1932 to the priesthood in the Protestant Episcopal Church, Dr. Hardy has been associated with the General Theological Seminary in New York. At present, he is an associate editor of the American Church Monthly. Dr. Hardy is familiar with a dozen languages.

CHARLES A. HODGES, historian and author. Mr. Hodges is Professor of Politics at New York University and author of *The Background of International Relations*. He has contributed frequently to the pages of CURRENT HISTORY.

DR. DAVID S. MUZZEY, historian and author. Dr. Muzzey's textbooks on American history are used in high schools and colleges throughout the United States. Among his works are *The Rise of the New Testament; Life of Thomas Jefferson*, and *James G. Blaine, a Political Idol of Other Days*, the last named of which won him honorable mention in the Pulitzer Prize Awards. At present, Dr. Muzzey is graduate professor of American History at Columbia University.

DR. HARRY A. OVERSTREET, psychologist and author. Head of the Department of Psychology and Philosophy, College of the City of New York, Dr. Overstreet is also author of *A Guide to Civilized Leisure; The Enduring Quest*, and *About Ourselves--Psychology for Normal People*.

DR. H. HORTON SHELDON, scientist. At present Mr. Sheldon is Professor of Physics at New York University. Former science editor of the *New York Herald Tribune*, Dr. Sheldon is the inventor of the colorscope for electrical color matching of textiles and is the discoverer of selective absorption in charcoals. He is the author of *Space, Time, and Relativity*, and *An Outline of Science* (2 vols.).

HARRY TIPPER, economist and author. Mr. Tipper, who was prominent in the organization of the New York University School of Marketing, is now a special lecturer on Foreign Trade at the School. He is the former president of the Advertising Club of New York, and at present is Executive Vice-President of the National Foreign Trade Association. Mr. Tipper is the author of a half-dozen books, among them *New Challenge to Distribution; Human Factors in Industry*, and *The New Business*.

DR. H. PARKER WILLIS, economist, lawyer, editor, and author. Professor of Banking, Columbia University, Dr. Willis was formerly technical adviser to the United States Senate Committee on Banking. Before the war, he helped draft the Federal Reserve Act and later became Secretary of the Federal Reserve Board. He is former editor of the *Journal of Commerce*, New York, and was economic and financial editor on newspapers in Paris and London. He also formerly served as special adviser to the Roumanian government. Dr. Willis is author of *The Federal Reserve System, Investment Banking, Economics of Inflation, American Banking*, and other books on economics.

CURRENT HISTORY'S ADVISORY EDITORIAL BOARD

Ned H. Dearborn

Frederick V. Field

Edward Rochie Hardy

Charles A. Hodges

David S. Muzzey

Harry A. Overstreet

Pach

H. Horton Sheldon

Harry Tipper

Blank and Stoller

H. Parker Willis

(Continued from page 4)

of course, a guess. It is clear that Hitler's imi diate plans revolve about the outcome of Spanish conflict. But over the longer range, G many's eventual destiny is largely a matter wishful prognostication, depending upon or individual prejudices. Ernst Henri in *Hitler O Russia* (Simon and Schuster, $2.50) predicts t Germany will have a Hitlerless future after next war. Der fuehrer's war against Bolshevi will find Europe divided into the forces of fasci and socialism. Socialism will triumph gloriou and its victory will be accelerated because peoples in the fascist nations will revolt.

There are five stages in Mr. Henri's literary nouement of Adolf Hitler. The first stage fi the attack, with the immediate objectives Ler grad, Kiev, and Moscow in the order named. T ultimate objective would be a Pan-European e pire of the new Teutonic order. In the seco stage, Hitler, after "urging on Germany w spurs of steel" finds his army halted before hardly begins to roll. Then, after the coun offensive of the socialist army starts to m (third stage) the struggle is carried directly i fascist territory. From this point on fascism i retreating and disorganized enemy, for the fou stage calls for the great anti-fascist revolution Germany and the last phase finds not Hitler o Russia or Hitler over Europe but "Europe o Hitler." Germany is liberated and Europe at l enters the golden age of peace and liberty. *Exe omnes!*

Which countries will specifically fight un the all-inclusive banners of fascism or social Mr. Henri does not reveal. He does, however, knowledge that the position of Great Britain the coming conflict is all-important in the de mination of the victor. Since Mr. Henri pred a fascist defeat, Great Britain, by inferen

would join the socialist forces. Yet diplomatic observers today are not all agreed that Great Britain will stand against fascism. They point with good reason to England's stand in the Spanish situation—a public policy of surface disturbance over intervention but an unofficial and tacit approval of a fascist victory.

Defending a Continent

While Europe draws its war lineups, America's natural concern is that it is not again sucked into foreign conflict. Major General Johnson Hagood in *We Can Defend America* (Doubleday, Doran, $2.50) believes that there is no reason, excepting that of invasion, for the United States to plunge itself into warfare. Furthermore, General Hagood would not send our armed forces abroad in event of war but would force the enemy to fight on this side of the Atlantic.

The two factors of the peace equation which General Hagood believes would keep the United States out of war are:

First: We shall not, under any circumstances, send our Army or Navy beyond the limits of our own frontier upon anything but a peaceful mission.

Second: We shall be so strong at home that no

(*Continued on page 125*)

LOG OF MAJOR CURRENTS

At Home:

THE hilarity of a New Year's advent had scarcely subsided when, on January 6, President Roosevelt appeared before the Seventy-fifth Congress to sound the keynote of the second New Deal Administration. Reminiscent of a dark day in March, 1933, the chief executive again reported "on the state of the nation." This time, however, he spoke confidently to a revitalized people. He indicated that the second, and what is considered the most important, phase of the New Deal would be administered firmly and with continued progressivism.

The President announced that the objective most earnestly desired would be to bring the Supreme Court into line with the executive and legislative departments of the government. With the same sincerity that marked his 1933 statement, the President again reiterated his belief that he saw no necessity for a constitutional admendment to give Congress power to regulate such matters as hours, wages, and child labor which it attempted to control by the NRA and other invalidated legislation. This belief, however, he indicated, was predicated on the hope that the courts would take a more "enlightened" view in interpreting the Constitution. To that end he recommended a rereading of "the preamble of the Constitution and Article 1 thereof, which confers the legislative powers upon the Congress of the United States." But whether or not the Supreme Court effected its own moral and intellectual reformation, the President indicated that "means must be found to adapt our legal forms and our judicial interpretations to the actual present national needs of the largest progressive democracy in the modern world." What the means will be are hardly a secret to those who are convinced the Supreme Court's strict constructionism is a destructive barrier to progress.

They point out four ways in which the court's tendencies could be changed: (1) by voluntary shift in the social attitude of some of its members; (2) by revision of personnel through death or retirement; (3) by expanding the size of the court and including younger, more sympathetic justices; (4) by constitutional amendment giving Congress the powers the court has heretofore denied it.

Despite the President's hope that an immediate change could be made through the first and second methods, Congressional leaders report a rising sentiment for a constitutional amendment delegating to Congress specific power to regulate labor and industry. Among the more than 2,500 bills already introduced on many subjects are several which seek that objective.

President Roosevelt, although not favoring a broad amendment, revealed the temper of his position by urging the Governors of States to resume the drive for the ratification of the child labor amendment.

Included in his message were the more immediate objectives which he indicated should be placed before Congress at once. Among them was an amendment to the Neutrality Act to plug the crack through which war supplies were trickling into the Spanish civil war. At the very moment he was delivering his address, longshoremen were loading $1.000.000 worth of second-hand airplanes and other supplies aboard the steamship *Mar Cantabrico* at a Brooklyn pier. Under the spur of time, both houses rushed through the necessary revision, but with such haste that the *Mar Cantabrico* escaped because the Senate forgot to authorize its presiding officer to sign the bill at once, thus delaying its transmission to the President for endorsement.

United Feature Syndicate

NEW TECHNIQUE

Budget and Balance

From neutrality the President turned to the budget, that perennial source of anguish to many who see scant hope of balancing it in the shadow of New Deal ideology. However the New Deal's chief advocate approached the subject with no such qualms. In the fiscal year beginning July 1, the United States anticipates an intake of $7,293,607,000 in revenues, and expenditures—exclusive of full expenditures for recovery and relief—of $6,157,990,000. If recovery and relief expenditures do not exceed $1,537,123,000 then the budget will have been given a provisional balance with a deficit of $401,515,000 to meet statutory debt requirements.

Whether this "balance" is of significance, not even a financial expert can say. But it does give much spiritual comfort to those who see it as a gesture toward a more stringent monetary policy. The President, however, made it clear that even the gesture was posed with some qualification. It depends largely upon continuing recovery, since his estimate of receipts is almost a billion and a half above that for the current fiscal year. And he stressed with reassuring firmness that, whatever might come, the budget would not be balanced at the expense of starvation and frustration. And it is this latter statement that is the pivotal point of the budgetary argument. There are those who challenge the President's sincerity when he refers directly to balancing the budget without at the same time mentioning its corollary, the reduction of relief expenditures. It is for these persons that the President repeated a budgetary corollary of his own:

"It is my conviction that if every employer or potential employer will undertake during the next six months to give employment to persons now receiving government help, the national budget can thereafter be kept definitely balanced."

Thus the President threw the gage to those whose ingenuity brought the country to heights of mechanical prosperity and subsequently into the dark valley which has been called a "momentary depression." No one man nor group of men, whether politicians or prophets, can effect the change necessary to bring about a wholesome material life with its attendant happiness. Such a task is for many, and most of all for the business leaders who wield the greatest influence and power within the nation. Behind Roosevelt's well-worn words is a precursor of profound change. Business must reexamine its methods and most of all its objectives; it must challenge the very ideology of aggrandizement upon which it is founded.

Sit-down

It is axiomatic that intense business activity is accompanied by labor unrest. This would seem to be true in the automobile industry where labor, recognizing the strong selling market, seeks to sell its services for the highest price under the most favorable conditions. The "sit-down" strike, an obstructionist wrinkle imported from abroad, paralyzed the auto industry through the closing down of vital factories where parts are manufactured. The list of idle, at one time exceeding 100,000 workers, has become, by virtue of the sit-down technique, of no value as an index to the actual number of strikers. By merely sitting down next to his machine, one skilled worker can throw hundreds of men out of work.

With the "sit-down" strike as a powerful aid to his minority supporters, John L. Lewis, chairman of the Committee for Industrial Organization, chose the auto industry as a testing ground for the idea of mass unionization. Employing a strategy that struck directly at the minor parts plants, the C.I.O. rapidly complicated the entire circulatory system of the in-

dustry until major plants were forced to close for lack of material.

Real Issues

In the world of industry and labor the struggle in the auto plants dramatized industrial unionism and pressed the issue to the forefront of national problems. Although the C.I.O. is not disposed to quarrel with wages or hours in the auto industry, it is concerned with conditions of employment and collective bargaining. The "real issue," according to the C.I.O., is: Will the management confer on a national scale with representatives of employees, or will it continue to pass the buck back and forth between the plants and the main offices?

United Feature Syndicate

TROPHY

The "real issue" according to Mr. Sloan, spokesman for the employers, is: Will a labor organization run the plants of General Motors or will the management continue to do so?

The above statements indicate in a few words the extremity of the bargaining positions. Until one or the other side makes a move toward the evacuation of such a position, settlement will remain virtually impossible. And yet, whatever the outcome, the C.I.O. will have tested its growing strength in what might become, in the light of subsequent events, a preliminary flanking movement on steel, an industry presenting the most formidable barriers to national unionization.

Maritime Front

Along the waterfront neither shipowners nor workers show the slightest inclination to abandon their demands. It is a fight to the finish, with small room for mediation. And while ships remain tied up, and lucrative cargoes are snatched by foreign competitors, the United States Maritime Commission gathers data for recommendations to Congress for the correction of the anomaly by which the commission may fix minimum wages and working conditions on American vessels subsidized by the Government, but nevertheless has no authority to intervene in disputes involving these factors.

Pan America

ON DECEMBER 1, President Roosevelt formally opened the Inter-American Conference for the Maintenance of Peace, held at Buenos Aires. There were present 175 delegates, representing all the 21 American republics. When the conference officially adjourned on December 23, these delegates had considered 115 various projects, touching every aspect of inter-American relationships, and had approved 69 conventions, resolutions, and recommendations.

Of these, the most important were political: (a) A collective security convention, providing for obligatory consultation whenever peace is threatened from any source. (b) A neutrality convention, obliging American nations to adopt a common attitude as neutrals should war break out between any two of them. (c) A protocol defining intervention by one country in the affairs of another as an unfriendly act calling for the use of the peace machinery established. (d) A declaration of solidarity and cooperation, telling the world that any unfriendly act liable to disturb the peace of America is a matter of common concern to the American republics and will put in motion the consultative machinery established by the collective security convention.

Consideration of such plans as those for the institution of an inter-American court of justice and of an American "League of Nations" was postponed until the conference to be held at Lima, Peru, in 1938.

In the sphere of economics, resolutions sponsored by the United States delegation were passed calling for equality of treatment in international trade and a gradual reduction in trade barriers.

Finally, the conference approved a variety of projects concerning intellectual cooperation and the interchange of professors, students, and publications, citizenship for women, and so forth.

Collective Security

The first outcome of the conference was the collective security pact, signed by the 21 republics on December 12. Its main provisions read as follows:

> In case the peace of the American Republics is threatened, any American Government which is a signatory of the Briand-Kellogg Pact, or the Saavedra Lamas Pact, or both, whether a member or not of other institutions for peace, shall consult the other Governments of the American Republics, and these shall consult among themselves for the adoption of measures of peaceful cooperation.
>
> In case of war, or a virtual state of war, between American countries, the Governments of the American Republics represented at the Conference shall consult to seek measures for peaceful collaboration; and in case of war outside America threatening the peace of the American Republics, they shall also consult and seek joint action tending to the maintenance of the continental peace.

Compared with the draft proposed by the United States delegation, the final treaty is disappointing, especially in its failure to establish a permanent consultative body. Beyond this, there are no means provided for enforcement—either n the form of sanctions against violators of the peace or of the obligation to accept the results of consultation. But, on the other hand, the treaty is comprehensive, covering war threats from any source. It recognizes all wars as a matter of common concern to all the American republics. It provides definite, even though elementary, machinery for

dealing with any outbreak. And it serves to crystallize and make permanent the good-will which undeniably permeated the conference.

Neutrality

The neutrality convention was finally adopted on December 19, after considerable controversy. Outwardly, the point at dispute was the extent to which the treaty would recognize the obligations of members of the League of Nations; obviously an iron-bound neutrality convention would nullify these commitments. However, the practical difference between Mr. Hull's original draft and the final convention was only that between "obligations under prior treaties" and "obligations under the League." Hence, the chief reason for the controversy would seem to have been the rivalry between non-League Brazil and Argentina, the leader of the American League powers, accentuated by the vanity of Dr. Saavedra Lamas which was slighted by President Roosevelt's cordial visit to Rio de Janeiro.

The convention agreed upon is based upon the peace machinery already in existence—the Gondra Pact, the Kellogg-Briand Pact, the Inter-American Arbitration Treaty, the Inter-American Conciliation Treaty and the Saavedra Lamas Treaty against War. This system is reinforced by the agreement that, in case of an actual or threatened outbreak of hostilities between two or more of the signatory powers, the American republics "shall, through

Daily Herald, London

"STEADY, ANTHONY—QUIET DIGNITY MUST WIN IN THE END!"

NEA Service

CHRISTMAS CHEER

consultation, immediately endeavor to adopt in their character as neutrals a common and solidary attitude." To this end, they "may consider" embargoes upon arms and credits, in accordance with domestic legislation and without detriment to League of Nations obligations.

Argentina made important reservations, exempting foodstuffs and raw materials intended for civilian populations and also loans covering the purchase of these; her argument was that Argentine wheat farmers and cattle ranchers were unwilling to forego war-time profits, especially as the United States, in her present neutrality legislation, had not made the same demands on her own farmers. Paraguay, El Salvador, and Colombia also signed with reservations.

Non-Intervention

If one thing more than another contributed to the success of the Pan American Conference, it was President Roosevelt's "good neighbor" policy, implying as it did the end of United States interference in the affairs of the Central and South American nations. The fear of the "big stick" was removed, and delegates were reported exultantly proclaiming that "The United States is with us now" and that "Now we can do something."

Actually, the policy of non-intervention was initiated during the Hoover regime, which saw the abrogation of the treaty right to intervene in Cuba and the return of the last of the American marines. The present Administration has continued the policy, but with greater and more articulate emphasis, and a stand was taken in this regard at the Montevideo Conference of 1933.

What the new non-intervention protocol does is to confirm and formalize the policy and to consummate the trend. Thus, in the resolution, unanimously adopted on December 18, the American republics declare that "any act of an unfriendly nature by any one of them tending to disturb the peace affects each and all of them and is the basis for the initiation of the consultative procedures provided in the convention of December 12 [the collective security pact]."

In short, the American nations stand together to "mind their own business."

Solidarity

The declaration of American solidarity, adopted on December 21 as the conference drew to its close, not only sums up the general principles guiding the conference, but serves to define the attitude of the American nations towards the outside world. It announces to other nations that an unfriendly act directed at any American country and likely to endanger peace affects all of the American republics and justifies the initiation of the consultative procedures established by the collective security pact. The declaration then lays down four principles accepted by the conferring nations: (a) no acquisition of territory by force will be recognized; (b) intervention of one state in the internal or external affairs of another has been condemned; (c) compulsory collection of pecuniary obligations is illegal; and (d) every difference or dispute among American nations, no matter what its nature or origin, shall be solved by conciliation, by arbitration, or by international justice.

In this way, 21 American nations formally adopted as a common stand the Monroe doctrine which only one of them—the United States—was in a position to put into effect exactly 113 years before. Taken in conjunction with the non-intervention protocol, the declaration of solidarity proclaims that the preservation of the free independence of each nation, from threats from within or without America, is a common responsibility.

Economic Angles

Little noticed, but of substantial importance, were the two resolutions on economic affairs, introduced by the United States delegation under the guiding hand of Secretary Hull and adopted by the conference on December 21. The first, and more important, calls for the gradual tearing down of all tariff barriers and the establishment of the principle of the equal treatment of all nations in international trade. The second provides for a possible conference of Ministers of Finance and central bank governors to attempt monetary stabilization and the lifting of exchange controls.

As far as international trade is concerned, the Argentine is by far the most important country, her foreign trade amounting to more than that of all the rest of South America, excluding Brazil. Consequently, any trade negotiations are virtually confined to the United States and Argentina. Nevertheless, the trade policies of these two nations are diametrically opposed. Mr. Hull adheres to the principle of equal opportunity in international trade, which he sees as a multilateral process. Argentina conducts its trade on a strictly bilateral basis and uses a variety of tariffs and exchange controls to this end. Great Britain is her most-favored customer, and Germany has recently been seriously threatening the United States' position in second place.

Consequently, the adoption of an agreement indorsing the principle of equality of treatment in international trade represents an important advance, even though it may be no more than a virtuous resolve. But more convincing for the future is the alleviation of the cause for Argentina's adoption of rigid trade controls—the depression prices of agricultural products and raw materials. Secondly, President Roosevelt publicly promised Brazil the removal of the quarantine on cattle, which has been the Argentine's chief grievance against the States. These two considerations change a hitherto gloomy prospect for the effective implementation of the conference's trade resolutions.

In Conclusion

The 1936 Buenos Aires Conference of American nations brought about no airtight system of inter-American peace; it achieved no guarantees of common neutrality and neutral cooperation in the event of war abroad; it postponed the much-heralded question of an American "League of Nations"; and, if the consultative machinery breaks down, the United States, in effect still the dominant power, will presumably have a free hand. The efficacy of the trade agreements remains in doubt. The Chaco war was nearly, but not quite, settled. Canada was not present, and the amount of controversy at stages of the conference indicated that the European ties of some American states are still as strong as their Pan-American affections.

But the conference must be viewed as a start rather than a consummation. The establishment of a basis of diplomatic equality, the assumption of common obligations on this basis, and the good will engendered by the conference provide a better background for the establishment of a peace system than a rigid scheme of courts and sanctions—as the experience of Europe demonstrates. The institution of machinery for consultation—even though it be only *ad hoc* and not permanent—is an important achievement. Trade may well begin to flow as a result of the negotiations. And Canada, though still aloof, has shown a materially increasing interest.

There has been no outright break with the League of Nations. But the conference set that body a good example. And it also laid a foundation upon which a more substantial structure may be built should the Old World continue on the path to war.

Spain

THE turn of the New Year altered the face of the Spanish situation. Mid-December saw the fascists with the bit between their teeth, and having things pretty well their own way. The German-Japanese treaty had brought a new and powerful ally to the crusade against the "red menace," and General Franco was about to launch an irresistible drive against Madrid. But suddenly the Italian partner to the Spanish conspiracy dropped out and entered into an agreement with Great Britain that made the entente of last October look sick. The British and French diplomats delivered a broadside of forceful notes demanding the end of intervention. General Franco's promised seizure of Madrid failed to materialize according to the schedule, and predictions began to fly about that, saving fascist intervention on an unprecedented scale, the Government might win the day. Diplo-

matically, Herr Hitler had received a bad trimming; it remained to be seen whether he would attempt to recover his prestige by the brute force of German "volunteers" for the Spanish front.

Mediterranean Pact

The Anglo-Italian agreement on the Mediterranean takes a position as the outstanding recent development in a badly garbled situation.

At first sight, Mussolini's desertion of his partner in the exploitation of Spain was surprising. But the bad feeling and jealousy which had begun to manifest itself between Italian and German troops was only the outward sign of a rivalry that had deeper roots. Both nations went into Spain to see what they could get out of it and with no thought as to the possible division of spoils. Both wanted Spain's mineral resources—especially mercury; both were anxious for the Mediterranean and Atlantic bases which Spain had at her disposal (*see* "National Lifelines"). But Hitler professed a deeper interest in the country and appeared willing to back it up with force. Consequently, when he began to talk about an army of occupation, Italians began to wonder where their cut of the spoils was going to come in, even though they had been the first to occupy the Balearics where they had entrenched themselves before German objections were raised.

At the same time, Mussolini was willing to stake far less upon Spain than Herr Hitler. Italian troops had their hands full in keeping Ethiopia under control, while the Mediterranean provided a number of possible points of friction with Great Britain. It was quite obvious that Mussolini would need further help if he were to obtain a just share of the loot; furthermore, the temper of the Italian people was opposed to a position which might bring them in conflict with Great Britain (*see* "Whither Mussolini?"). Hence the Italian willingness for the Mediterranean agreement.

Great Britain for her part, had been steadfastly cultivating Mussolini through her Foreign Office ever since the end of sanctions. His friendship would relieve the Navy of the

South Wales Echo, Cardiff

H—L! HITLER

New York Post

CONTEMPLATING MURDER AND SUICIDE

necessity of any additional concentration in the Mediterranean; and England clung to the hope of Italy as a useful ally against Germany.

The agreement, signed in Rome on January 2, lays down that "the freedom of entry to, exit from, and transit through the Mediterranean is a vital interest both to the different parts of the British Empire and to Italy and that these interests are in no way inconsistent with each other."

This is clear enough. The same cannot be said for the more significant clause which announces that the two countries "disclaim any desire to modify, or, as far as they are concerned, to see modified, the status quo as regards national sovereignty of territory in the Mediterranean area," which was coupled with a note declaring that Italy would respect the integrity of present Spanish territories.

What Does it Mean?

Mussolini's part of the bargain was no more than to grant to Great Britain an assurance that she would enjoy the same security for her Mediterranean route as she did before the Italo-Ethiopian war. The treaty should also

mean the Italian evacuation of the Balearics; there is as yet no sign of it. And Hitler might be able to drop a word in Mr. Eden's ear as to the value of an agreement with Italy.

Great Britain, presumably, will eventually recognize the Italo-Ethiopian empire; she has already replaced her legation at Addis Ababa with a consulate. Mussolini has undoubtedly asked for the ousting of Ethiopia from the League; last summer Great Britain demonstrated her willingness to take this action. A more substantive concession England can make in her part of the bargain is a loan for the development of Ethiopia, a task which has proved much more expensive than was anticipated during the intoxication of Italian victory. This control of the purse-strings would also be her strongest hold on Mussolini.

But the important question mark comes with respect to intervention in Spain. Both powers agree to the maintenance of the status quo in the Mediterranean. The Italian version of this is that a communist Spain, bringing Russia to the western shores of the inland sea, is thereby precluded. Is this the British interpretation too?

It is difficult to believe that such a vital question as Italian intervention in Spain was left out of the discussions. And yet the British Government itself admitted that Italian troops were landed at Cadiz on January 1, an event which caused some questions to be asked in the British House of Commons.

This situation creates a dilemma for the British. A rebel victory, with a friendly Italy in substantial control of the new Government, would be the happiest solution from the point of view of the National Government. Yet Germany is the only power apparently willing to aid the rebels sufficiently to secure their triumph, and a German-controlled Spain is not desired by England, particularly since the Reich has disclosed her designs on Spanish Morocco.

Germany on the Spot

On December 27, the attempt to curb intervention was renewed when the French and English Ambassadors in Rome, Berlin, Lisbon, and Moscow delivered strong notes appealing for the prevention of "volunteer" forces in Spain. Russia agreed, provided that the other powers took similar measures. Italy held that she had favored this move before, but that at this stage it would amount to pro-loyalist intervention. Germany delayed her reply, for the note, coupled with the subsequent Anglo-Italian accord, put her strictly on the defensive.

Her difficulty is illustrated by the military situation in Spain. At the end of the year, the London *Times* estimated the number of German troops in Spain at a figure between 10,000 and 14,000, although the *Echo de Paris*, the French Rightist publication, placed the figure at 26,000 to 31,000. However, in the absence of any mass support from the Spanish people for the rebels, it is calculated that another 60,000 troops would be necessary to ensure victory. For the Germans, this would involve flouting the non-intervention agreement to an extent that would amount to an open declaration of war upon Spain.

Consequently, Hitler took his time in answering the British and French notes. He still maintained a belligerent attitude during a series of naval incidents, while intensive German military and economic penetration of Spanish Morocco, including the reported fortification of Ceuta, brought a concentration of French and British battleships and threatened a new international crisis.

The final answer to the note, delivered on January 7, did little to clarify German intentions; the proposal for the immediate curbing of the influx of foreigners into Spain was rejected unless other nations took similar action, and the matter was landed back on the lap of the highly ineffectual London committee on non-intervention.

Nevertheless, Germany will ultimately have to answer the question. One school of thought is plunging for the encirclement of France by fascist powers, leaving Germany free to pursue her eastward drive, and has already committed German prestige to that objective. But the military situation in Spain and increasing economic difficulties at home threaten to make this extremely hazardous—save on the doubtful assumption that Germany is ready for war. Then there is the colonial as opposed to the continental school of thought; this group is preoccupied with regaining some of the lost colonies. From this point of view, German intervention in Spain is a trump card to be used in bargaining.

The first school of thought has hitherto been predominant. But the exigencies of the situation may point to the latter's solution as the only way of climbing out of a tight fix without loss of prestige. That is, the Reich would re-

tire from Spain for a small colonial consideration. Dr. Schacht's threat of another "explosion" should Germany not receive any colonies may be taken as a shot in this direction. But despite France's willingness to entertain such proposals, England still stands pat on the question of colonies (*see* "Germany's Colonies").

China

THE kidnapping of Generalissimo Chiang Kai-Shek by the "Young Marshal," Chang Hsueh-Liang, was an unexpected outcropping of the Nanking Government's perennial dilemma between the Japanese and the Communists.

Surprising as the capture may have been, the upshot was no less so, as the erstwhile captor trailed Chiang Kai-Shek home, describing himself in terms of the most complete self-abasement and declaring that no punishment could be severe enough for him.

China's Lindbergh Case

The seizure of Chiang Kai-Shek was the climax of the Nanking Government's campaign to liquidate the provincial armies. The Government has sixteen divisions; six of these compare in training and arms with European and Japanese forces, while the rest are at least superior to the provincial forces. But numerically the Nanking forces are decidedly inferior, and the customs revenues which help support them have been greatly reduced by Japanese smuggling in North China. These factors have intensified the drive on the provincial armies, which are supported by the land tax.

Chang's army, inherited from his father and said to number some 120,000 men, is one of the strongest of the provincial armies, and the Central Government had already taken steps to draft some of its troops elsewhere.

These domestic considerations played a leading role in the drama. It could scarcely be described as a Communist revolt. Chang himself is far from being a Communist, although he has been lax in his supposed mission of cleaning up the Reds. His troops, however, have been sympathetic to the Communist idea of a united front against Japan, and this consideration dictated the terms of his demands upon Chiang Kai-Shek, which were: the declaration of war against Japan; the readmission of the Communists to the Kuomintang on the pre-1927 basis; and the recovery of all territories lost to Japan.

Chang was attempting to capitalize on a popular sentiment. But the rallying of support to Chiang Kai-Shek rapidly disillusioned him in his hope of becoming a Chinese savior. Kwangtung and Kwangsi, scenes of revolt last summer, declared themselves solidly behind Nanking. In the North, Generals Yen Hsi-Shan and Han Fu-Chu, rebels of 1930, similarly asserted their loyalty.

A series of conferences with T. V. Soong and W. H. Donald, the Generalissimo's Australian adviser, and the threatening advance of the Nanking army, brought the coup to an anticlimax.

The whole episode leaves Chiang Kai-Shek in a substantially stronger position than before, and Chinese unity has gained. Furthermore, there is more than a possibility that the success of the Suiyan provincial troops may undermine the East Hopei and Chahar puppet regime. It still remains to be seen what concessions Chiang Kai-Shek will make to the anti-Japanese front and the Communists, who have recently become far more anti-Japanese than Communist.

India

DISPELLING all apprehensions of a possible cleavage in the Congress ranks, Mahatma Gandhi once again last month proved to be the supreme unifying factor in the body politic of India. Rallying his followers behind his militant and youthful protege, Jawaharlal Nehru, the aging leader has proclaimed that he is "prepared to be hanged" when the time is ripe. He also feels that "Jawaharlal Nehru would be equally prepared to be hanged."

To the hundred thousand delegates who attended the fifty-first annual session of the All-India National Congress, this meant a comeback for the Mahatma and a possible revival in the near future of some sort of Civil Disobedience movement under the joint leadership of Gandhi and Nehru. It also meant hard times ahead for the new Indian constitution which will come into force on April 1, against the better judgment of leaders representing every shade of opinion.

Opposition to the Constitution

Holding that the federal scheme has been devised by the Tory element in Great Britain to strengthen its "imperialistic hold on India,"

United Feature Syndicate

THANK YOU, JEEVES!

the National Congress has resolved to render it unworkable. To accomplish a complete failure of the 1935 Government of India Act the Nationalist Party has decided to send lesser leaders to the Legislative Assembly to "bore from within"—a tactic once employed by the Sinn Feiners in the Irish Free State. An overwhelming victory of Congress candidates at the polls has been already conceded even by reactionary Anglo-Indian newspapers.

Simultaneously, the more prominent leaders are scheduled to organize the workers and peasants from outside governmental bodies. In this they are to be guided by Jawaharlal Nehru, who has been reelected as the president of the National Congress for a third term.

NEA Service

THE MYSTERIOUS ORIENTAL

The British Government has been further perturbed by the poet, Rabindranath Tagore, who has come into the limelight for the first time in years. In his capacity as president of the Civil Liberties League, he demanded an impartial inquiry into the condition of the Bengal detinues. Shelving the Habeas Corpus Act, the British rulers have thrown over three-thousand men into prisons and detention camps without trial or court action of any kind. Some of them have been there for years, and their condition is not known even to their near relatives. Three suicides were reported among Bengal detinues within the short span of the last couple of months—a fact that outraged Tagore, who usually shuns participation in politics. He may now throw his influence into the scales against the British Government.

WORLD LIFELINES: *The main arteries which tap British, French, and American sources of economic and strategic strength.*

NATIONAL LIFELINES

A snarled web across the world. Can—or will—it be untangled?

NATIONAL "lifelines" may be described as the tentacles—military, economic or political—with which the respective powers hold to or reach out for certain portions or peoples of the earth's surface. These possessions—whether actual or desired—are invariably considered by the nations concerned to be vital for their continued existence as major powers.

Since the War, there has been a continuous and much-discussed struggle between the satisfied powers — notably Great Britain and France—and the international "have nots"—Germany, Italy, and Japan. Lifelines have intersected or conflicted with each other. To date there has been no crossing of vital interests, for the possessors have made certain minor concessions, while the dissatisfied nations have advanced towards their objectives by absorbing non-contentious territories. These safety valves cannot operate indefinitely. Drastic readjustment or war will follow the inevitable moment when the struggle extends to the vital links of the lifelines.

Great Britain

In June, 1936, Sir Samuel Hoare, First Lord of the British Admiralty, said of the British Empire, "We are an Imperial and an oceanic rather than a Continental power." This statement embodies no new and startling conception, but it provides an ultimate explanation of a foreign policy which often seems to be devoid of all consistency.

Consider the position of Great Britain. One could fit the whole island into one of the American Great Lakes with room to spare. True, there is a substantial and concentrated population of some 46,000,000 souls, but. apart from coal, natural resources are negligible. Yet, thanks to strategically placed dominions and colonies, this small island has become a dominating great power. The Atlantic is guarded by British territories; the Indian Ocean is, for purposes of naval strategy, virtually a British domain; the Mediterranean shortcut between the two is studded with British bases, and its two entrances are commanded by British forts; to the East. Singapore controls the door to the Pacific. Only the Arctic Ocean, under Russian control, breaks the British purchase on the strategic seaways: and this body of ice and water cannot yet be considered significant. Great Britain assures herself that the rest of the world will supply her with what she herself lacks—wheat from Canada and Australia, petroleum from Iraq, iron from the United States, cotton from Egypt, rubber from Malaya, to name but a few essential commodities.

So the English problem is twofold: that of maintaining satisfactory political relationships with her far-flung investments and sources of supplies, and that of keeping control of the routes to them. For these routes are her "lifelines" in fact as well as in name.

The first and most critical stretch of the British lifeline extends between England and Gambia on the westernmost tip of Africa. This is the base of the system; from it spread out the Atlantic routes, the Mediterranean shortcut and the Cape of Good Hope route to the East. It may be threatened by Germany from the North Sea, although the Reich's Navy is not yet a considerable factor. It is one reason for the Anglo-French Entente, and it explains the close relations always maintained between Great Britain and Portugal. England will not let a Mediterranean power threaten it from the East, nor will she countenance, if she can help it, the establishment of an unfriendly power in the Azores or the Canaries.

Mediterranean Shortcut

Hitherto the most important offshoot of this line has been the Mediterranean route. Great Britain controls the entrance to the inland sea

with a strongly fortified naval base at Gibraltar on the north of the narrows, while she has seen to it that Tangier, on the south, is under international, and therefore neutral, control. Eastward from Gibraltar lies the most exposed stretch of the Mediterranean route—the 1200-odd miles to Malta, the naval and military base beyond the straits between Sicily and the northeast coast of Tunisia. This very proximity to Italy, however, caused the British to take significant steps last year with regard to this outpost. In September the island reverted to the status of a crown colony, ruled by a Governor, whose first move was to take measures against Italian influence. Secondly, although the British fleet has come to rely more upon the security of Egyptian bases, the Maltese fortifications have been strengthened in view of the island's exposed position.

In the northeast corner of the Mediterranean is the naval base at Cyprus; last October it was announced that the island was to be equipped for airplanes as well as battleships. The reason for the British Government's solicitude is that the island guards Tripoli and Haifa, ports which supply the French and English fleets with oil. Pipelines connect these ports with two inland oil fields. Kirkup controls the first of these fields, which is owned by the Iraq Petroleum Company, an international organization close to the British and French governments. The Mosul field, just to the north, has been developed by the British Oil Development Company, another international consortium. This was the scene of an unexpected drama in September, 1935, at the height of the Italo-Ethiopian war. Two English directors resigned in protest against the acquisition of the field by a company controlled by the Italian Government. In June, 1936, however, coincidently with the lifting of sanctions, it was announced that the field had been purchased from the Italian Government by the Iraq Petroleum Company. The fact that Italy in control of the Mosul oil field would be an infinitely greater threat to British interests than Italy in Ethiopia suggests that the sale of the Italian-controlled British Oil Petroleum Company was an important factor in persuading Great Britain to change her attitude on sanctions.

Turning south to the Suez Canal and Red Sea route to the Indian Ocean, we find Great Britain strengthening her military position in Egypt and at the same time trying to appease the Egyptian nationalists. Thus, important provisions of the treaty, ratified on November 14, 1936, which granted Egypt independence, were that she should remain an ally of Great Britain's and that British garrisons should eventually be withdrawn from Alexandria and Cairo, where they might be used for repressive purposes, to the Canal zone, where they would be useful for the sole purpose of defending the all-important Suez route to India. At the same time Alexandria and Port Said are being employed as strategic naval bases; a little way inland, Ismailia and Heliopolis are the sites of air bases.

The next link in the chain is Akaba, a naval and air base on the northeastern finger of the Red Sea, situated close to the frontiers of Egypt, Palestine, Transjordania, and Saudi Arabia. To complement her control of the northern entrance to the Red Sea, Britain has Aden on the eastern side of the southern entrance, while the island of Perim lies just without the straits of Bab-el-Mandeb, which flow out into the Gulf of Aden and thence into the Indian Ocean.

East by the Cape

That England has been and is concerned about the Mediterranean was attested to last summer by the visits of King Edward VIII and Sir Samuel Hoare. But convenient as that route may be in peacetime, the potentially conflicting interests of Great Britain, France, Italy, Germany, and Russia may conspire to turn it into a war-time "death trap"; too many nations like to think of "Mare Nostrum" as applying to themselves. Consequently, the British have paid attention to the development of the alternative way to the East around the Cape of Good Hope.

It is almost as far from London to Capetown alone as it is from London to Bombay via the Mediterranean, but time is compensated by security.

Assuming, for the moment, that the Canaries are in neutral or friendly hands, the route is clear down to Capetown, where last summer the English made an agreement with the Union of South Africa to construct, at their own expense, a powerful naval base.

From there on, Zanzibar to the west of Madagascar and Seychelles and Mauritius to the east stand as sentinels on the way to the Indian Ocean. At this point British ships can proceed to Bombay or Singapore without loss of sleep on the part of the captain; for, with Aden and Singapore at each end and Ceylon and the archipelago south of India in the mid-

SHORTCUT OR DEATH TRAP: The numbered chains show the British, French, and Italian bases, guarding the respective lifelines, and tell why the Mediterranean can be a peace-time convenience or a war-time death trap.

dle, the Indian Ocean is assuredly a British preserve.

Singapore is the final and, with the exception of the stretch between England and Gambia, the most important link in the route to the East. It is not only the eastern entrance to the Indian Ocean; it is also the western door to the Pacific. Situated at the mouth of the straits of Malacca between the Malay Peninsula and the island of Sumatra, it controls the traffic westward to Calcutta, Colombo, and Capetown, and eastward to Hongkong, Shanghai, and Japan. That is why Sir Stamford Raffles remarked when he annexed it for the British in 1819, "It gives us the command of China and Japan, with Siam and Cambodia, to say nothing of the islands themselves." That is also why England is constructing there a great naval dockyard, to be completed in 1939 at a cost of some $45,000,000. For Singapore stands in the way of Japanese expansion. As it is, the Japanese have been negotiating with the Siamese for a canal through the Isthmus of Kra. This would shortcircuit Singapore, reducing the distance from China to Calcutta by 660 miles. It remains true, however, that when the British seven-year plan for Singapore has been completed, the Kra canal would be within range of British guns, not to mention its susceptibility to aerial attack.

Air Routes

So much for the British sea-routes. Strategically equipped as they are, they have preoccupied the minds of English statesmen. Her air routes, however, are becoming increasingly important as a complement to them.

Although commercial airlines have made use of foreign territories, there is available a more politically secure air route to the East. Gibraltar and Malta are the first two stops; next there are air bases in Egypt, Palestine, and Transjordania; then follow Bagdad, Basra, and the Bahrein islands in the Persian Gulf. Karachi, Delhi, and Calcutta are the next steps on the route to Singapore, whence planes set out for Australia or Hongkong, which is being

developed as a focus of eastern and western air routes.

Two other routes complete the Imperial chain. The African route is served by an unbroken line of British territory from Egypt to the Union of South Africa. Across the Atlantic, there are two routes: the northern one, via Ireland and Newfoundland is available for the short summer season; to the south. there is an alternative way, involving the Azores and Bermuda, which can be used during the foggy period of the year.

France

France's first and vital consideration is the maintenance of communications with her North African colonies, upon which she relies for approximately 20% of her man power in time of war. Unlike Great Britain, she has no line of strategic naval and air bases to insure this circumstance; she depends rather upon the vital routes remaining under the control of neutral or friendly powers.

To northwest Africa, there are two routes. The first starts out from Bordeaux on the west coast of France and runs down to the west of Spain, Portugal, and Gibraltar, either to Casablanca in Morocco, or to Dakar, the port of Senegal virtually coinciding with the base of the British naval system. Consequently, the security of the route depends upon Franco-British cooperation and the neutrality of the Canary islands. The second route—or routes—are in the Mediterranean, spreading out fanwise from the southern French ports of Marseilles and Toulon and extending to Oran, Algiers, and Bomo in Algeria, and Bizerta in Tunisia. These routes can be threatened by Italy, from Sardinia or Pantellaria; they need a friendly Gibraltar, but of more importance to them is the neutrality of the Balearics, which lie directly between Marseilles and Oran and Algiers.

In the eastern end of the Mediterranean, France has abandoned her mandate over Syria; but she still requires access to the pipeline there, for which she depends upon British assistance. The same consideration applies to her route to French Somaliland, which lies opposite Aden at the south end of the Red Sea.

Her Far Eastern possessions—Cochin China, Tonkin, and the protected state of Cambodia—are less indispensable. But here again, France relies for British help in maintaining open searoads to them. This Great Britain is more than willing to give, for the bays of the French Indo-China coast form natural harbors in the vicinity of Singapore, and British interests demand that they should not fall into hostile hands, while an independent Annam would be susceptible to Japanese penetration.

The post-war psychosis of France, however, is best represented by the famous Maginot line of forts along the German frontier—the first time a nation has attempted literally to wall out invaders since the Great Wall of China was built.

During the last year, lighter flanking forts have been added to overlap the Belgian and Swiss frontiers, while the main line has been further strengthened in response to the re-militarization of the Rhineland, which brings German troops to the French border.

Italy

France and England are preoccupied with the maintenance of the status quo. Italy on the other hand is driving towards expansion; we have already seen how Great Britain, among other status quo powers, allowed Ethiopia to absorb part of the fascist advance before it threatened her own vital interests, and how she has constructed the Cape route as a possible alternative lifeline in the event of her failure to make peace with Italy, in the Mediterranean.

It is in this latter area that Italian progress has been most marked, especially in the course of the last year.

Close relations with Albania enable Italy to control the Adriatic, but the seat of her Mediterranean power lies to the west of the peninsula. From Elba, down the west coast between Sardinia and the mainland, and south to Pantellaria, there is a zone, equipped with air and naval bases, admirably suited to the demands of Mediterranean strategy; for with the advent of the bombing plane *zones* have obvious advantages over fixed bases.

Of the several bases comprised in this zone Pantellaria is the most important. A naval base, strategically situated in the narrow neck between Sicily and Tunisia, it is the Gibraltar of the eastern Mediterranean; and it is no solace to the English that it commands Malta.

This zone aims at guarding from the west Italy's approach to her colonies, the first of which is Libya, for which the recently fortified Tobruch serves as a port. Here the Italian and the British lifelines directly intersect.

To the east, Rhodes in the Italian Dodecanese islands, has been equipped during the last year as a naval and air base—a fact which scared the British off using Cyprus as a focal Mediterranean base. Strategically, Rhodes and the surrounding islands give Italy a say as to who comes out of the Black Sea through the Dardanelles, Russia being the foe she has in mind.

The next problem for Italians is access to Eritrea at the southern end of the Red Sea, the newly acquired Ethiopia, and Italian Somaliland. This means the use of the Suez Canal-Red Sea route, controlled by the British. Last July, however, a bombshell was thrown into British calculations, when it was discovered that, in January 1935, Premier Laval had ceded to the Italians Doumeirah, an island in the straits of Bab-el-Mandeb which they had forthwith proceeded to fortify. Within 15 miles of Perim, the new base counteracts the British control of the southern entrance to the Red Sea, even though it does not guarantee that control to the Italians.

The western end of the Mediterranean may be considered last, for the reason that the Spanish war has thrown it into a state of flux. At stake are the Spanish colonies, Majorca and Minorca. Italy has already established itself in Majorca in the anticipation of a rebel victory. The significance of this is that Italy, if she possessed the Balearics, would be able to intercept the French route to north Africa and threaten the British route eastward from Gibraltar. Should she also gain Ceuta, just inside Gibraltar, she would then be able to cut across this British seaway for the Balearics and Ceuta are within half-a-day's sailing distance of each other. This situation will not, however, clarify itself until the end of the civil war.

Germany

Like Italy, Germany is essentially interested in changing the international status quo. Shorn of her colonies by the Treaty of Versailles, her lifelines are objectives rather than realities, and represent milestones along the road which Germany would like to travel. In their naval aspects, they are inspired by two primary objectives: to weaken France by cutting her off from her sources of man power in Africa and to prevent, if possible, a repetition of the blockade enforced against Germany during the last war.

It was the German hope that the nations attending the Montreux conference last June concerning the refortification of the Dardanelles would succeed in bottling up the Russian fleet in the Black Sea. That they did not do so constituted a diplomatic setback for the Reich; immediately, she fears Russian assistance to the Spanish rebels, and, in the future, she does not want Soviet battleships aiding French convoys across the Mediterranean or steaming round to the Baltic to help enforce a blockade.

This reverse explains in part the determination of the Germans that General Franco should win the Spanish civil war. For a fascist government in Madrid, heavily indebted to the Reich, would presumably place the Balearics and Ceuta at the disposal of the fascist powers. Equally welcome to the Reich would be fascist control of the Canaries and the Azores. The latter, as has been seen, are the first stepping stone in the southern Atlantic air-route. The former already have a German population of some 3,000. According to reports quoted in *The Living Age*, these have been well-organized by Nazi agents, while the German cruisers *Nürnberg* and *Köln* are said to have unloaded arms there last April. Further south, Germany has leased a Portuguese island in the Bisagos archipelago and, under the guise of equipping a palm oil station, has constructed a seaplane and submarine base. Not only would such a base menace Dakar, the port of French Senegal, which is within a distance of 15 hours by submarine and of two hours by plane, but it would also constitute a direct threat to the British route to the Cape.

To the north of Germany, strategy is exclusively dictated by the considerations of preventing a blockade. The Frisian islands, lying off the northwest coast of Germany, are being equipped as bases for bombing planes. Mine fields covering the approach to the bight of Heligoland would supplement the aerial defenses, while submarine flotillas and high-speed torpedo-carriers would provide the German fleet with liberty of action throughout the North Sea area. Backing up this strategy, coastal defenses combined with a fortified Heligoland constitute an ultimate barrier against the approach of an enemy fleet.

Important as these naval considerations may be, it is territorial expansion in Europe in which the Reich is predominantly interested. From the point of view of the Pan German ideal, every German in Europe constitutes a

GERMANY LOOKS EASTWARD: Three routes along which German armies may march to Russia. The most probable are 1 and 3: they also represent the direction of German economic and political penetration.

"lifeline." But *Mein Kampf* suggests three more specific ambitions: (a) expansion at the expense of the smaller states in Europe; (b) expansion at the expense of Soviet Russia; (c) breaking the military power of France.

So far, this policy has only reached the first stage; that is why the Reich has not yet provoked a major conflict, for the democratic nations have been willing to throw appeasing but not invaluable morsels to the wolves. But the probable directions of the drive towards Russia may be considered.

There are three main possibilities for a German march on the Soviet. The first lies northward through Memel and Lithuania and Latvia, where little military resistance would be encountered, and upwards to Leningrad, the Russian key city. In this, military forces would be supported by the German navy operating in the Baltic. The second possible route is through the middle of Poland; the catch here is that Germany does not know which way Poland, perennially hesitating between France and the Reich as allies, is going to jump. The third possibility is the southern route leading through southern Czechoslovakia and Rumania to the coveted Ukraine. According to German calculations, the foreign propagandizing and economic penetration indulged in so intensely by the Nazis in central Europe will bear fruit: Austrian Nazis may be counted upon; Henlein's Sudeten Germans in Czechoslovakia are to join, while Hungary, now a German ally, can be relied upon for further aid. Once in Rumania, support is expected from German colonists and the fascist Cusa-Goga party, who have been assiduously cultivated. In these directions nations fear another "explosion."

Soviet Union

Terrain, distance, heterogeneous peoples, and aggressive military ambitions of foreign powers all combine to impose, as a condition of Soviet unity, interior lifelines, thus creating a unique condition in a world where normal lifelines begin at borders and extend aggressively through many nations. And yet the most important reason for Soviet interior lines, other than those reasons of national life, is the identical ambition of the two most dynamic nations in the world, which has as its objective the seizure of Soviet territory. Westward the Germans thrust economic and political tentacles toward the fertile Ukraine. Eastward the Japanese have already wheeled cannon along the borders of Siberia and Outer Mongolia, an ally and ward of the Soviet. Squeezed between these imperial designs the sprawling Soviet Union works furiously to knit an interior web of communication capable of enduring the stress of traffic swollen by the emergency of war.

The most vital of the interior lines has been and continues to be the Trans-Siberian Railway, a steel jugular vein tapping Soviet power from Leningrad to Vladivostok, a distance of some 4,000 miles. Again and again, during the socialist drive for the complete economic and political subjugation of the vast Republic, the railway has proven inadequate, a situation exaggerated by the continued reinforcement of the Soviet Far Eastern Army and the increasing demand for continuous supply and transport. Until recently the vulnerability of the Trans-Siberian Railway to military interception along the line from Taishet to Vladivostok has been the chief strategic weakness in the East. However, this weakness has been corrected with the construction of a branch line B. A. M. (Baikal-Amur Magister), running north of Lake Baikal to the maritime province behind a screen of concrete fortifications and at a sufficient distance from Japanese military bases in Manchukuo to insure uninterrupted communication under all conditions except sporadic aerial bombardment.

From the western terminus at Leningrad, the Trans-Siberian continues northward beyond the Arctic circle to Murmansk on the shore of the Barents Sea. This city, one of many the Soviets have constructed in their plan to open up Siberia, stands at a point intercepting the Northern Sea Route, a line of transport opened across the top of the world to Vladivostok. Three rivers, the Ob, the Yenisei, and the Lena, form longitudinal feeder-lines emptying into the Arctic seas, and are navigable for a sufficient time during the year to make shipping along the northern route profitable.

Southward the Soviet interior line is broader, more firmly based, passing as it does through the Ural Mountains and the fertile Ukraine to terminate at the ports on the Black Sea. From the Black Sea, by virtue of political penetration, it pierces the Zone of the Straits, which is fortified and controlled by Turkey. The right of unrestricted passage through the Dardanelles, won at the Montreux Conference, saw the Soviet Union emerge as a world power over the opposition of Germany.

To the west the Soviets are faced by the German military hammer swinging, as in 1914, in the direction of the Ukraine. Here, for the purpose of defense, the Soviets have thrown up concrete fortifications and extended a military line touching a corner of Rumania and penetrating deep into Czechoslovakia. For it is through the territory of the Czechs that the Germans will launch the full power of their arms under the protection of the Carpathian Mountains to the north and along the friendly flank of Austria and Hungary to the south. To cushion the blow, the Soviet general staff has elected to meet the German advance in Czechoslovakian territory. Already an efficient railway spur has been constructed, leading directly from the border of the Soviet Ukraine into the land of the Czechs, where, it is reported, Red Army men have constructed airports and skeleton military depots.

To say that Soviet lifelines are purely defensive in their present phrase would not abuse accuracy. But none will forget the capitalistic horror at the efficient and wraith-like penetration of the socialistic ideal even to the very heart of their domains. By passive example and through the positive work of the Comintern (international revolutionary body), the Soviet influence has strode across thousands of miles of ocean and skipped across heavily armed borders.

Not even the skillful Krupp has lathed a cannon capable of destroying this ideal of human welfare the perfervid Soviets breath abroad. However, to do them justice their plea of innocence must be again restated: that the revolutionary temper cannot be grafted upon the mind of a people, as with a tree normal growth must come from within.

Japan

Japanese imperialism is not a threat; it is a fact. The Mikado's bayonets gleam in the east, from Kalgan on the plains of inner Mongolia to the shores of the Yellow Sea. To the south, the islanders of Micronesia have heard the booming of Japanese naval guns at target practice. In every world market traders are familiar with the little brown salesmen and the line of Japanese goods tagged with the astonishing prices. The Japanese sun has risen. Economically Japan's products have seeped through the highest tariff barriers, militarily she has forced giant China to her knees and has coolly begun the revision of Manchukuoan school books, and now Japan bulges her muscles at the sons of the Soviet. Japan's coming of age has amazed the great powers of the world and has made them exceedingly uncomfortable as they squeezed over to make room for the muscular brown brother.

Japanese lifelines have followed the bayonet north and the battleship south. And the process has been so swift that it has startled the Japanese civilian authorities into an occasional apology. There have been references to a runaway Kwangtung army in Manchukuo and China, gobbling up territory to the embarrassment of the home Government, of a cocky Navy envious of the Army's popularity cutting dangerous figures in the waters south of the island empire. But these protestations are not taken seriously. The Japanese have been the world's best students of British history, and manifest destiny means to them what it meant at the turn of the century to the Englishmen. There is infinite justice in the slogan, "the Orient for the Oriental." But it is typical of Japanese logic that they have juxtaposed force to benevolent disquisitions. With imperturbable sincerity they voice solicitude for China at the very moment the coolie is sheathing a Japanese bayonet in the soft flesh of his belly. And they smile with indulgence at the Geneva diplomats who wave unclean hands in horror at the Mikado's troops on the march in China. To save their little brown skins they cannot understand why Western civilization is so self-righteous in the light of its own history.

From the Korean Peninsula, Japanese traders have pressed northward on the heels of the military, mopping up the inhabitants of Manchukuo, throttling the commercial competition of native manufacture with subsidies and cheap goods, suppressing opposition through the liberal distribution of low priced narcotics. From Manchukuo the Japanese armed forces have turned westward, fanning out along the border of Outer Mongolia, pursued by the brown salesman and his brief case panting along in the rear. However, this time the commercial moppers have added a new wrinkle to imperialism. In order to undermine the financial position of Chinese provincial authorities, the Japanese are smuggling huge quantities of goods into China. It is a bold weapon of economic aggression, and yet more refined than the every-ready bayonet. Eventually, China will be sealed, from Outer Mongolia and the Soviet Union, with her Northern Provinces as much a part of Japan's backyard as are the China seas that lap the southern coast.

To the south the Japanese lifelines are strung tightly through the islands of the Pacific. From Kyushu over the Ryukyu Islands to Formosa, paralleling the China Coast and outflanking the British fortified terminus at Hong Kong. Japan's inner sea-line turns south to the Philippines, where Japanese colonists are already located to the discomfiture of the new Philippine Government.

Of more strategic value in the race to dominate the Pacific, however, is the outer sea-line, stemming from Tokyo south through the Ogasawara Islands and the Marianas to the vicinity of Guam, where it forks east to the Marshall Islands, and west through Yap to the Pelews. Where it will go from the Pelews is a question worrying both the Dutch and the Australians. At the moment, it is a sharp dagger aimed at the Netherlands India, at Australia, British Borneo, and New Guinea. Naval authorities, with an eye to friction, have examined the maritime pavement that Japan has built upon the 2,550 islands and reefs of Micronesia, extending 2,700 miles along and 1,300 miles north of the equator, and have pronounced it an invulnerable barrier against hostile war fleets seeking the China coast from the open Pacific. Experts admit that cruisers, submarines, and aircraft tucked away in the thousands of island hideaways could make it tough for even a shark to find a way through the labyrinth.

Fears are mounting among the peoples lying directly in the path of Japan's restless tentacles. Already yen imperialism has wormed its way into the economic heart of these countries. Japanese arms threaten them, but Japanese cotton textiles have beaten them on their

JAPAN EXPANDS: The Japanese Army leads the westward surge; it holds Manchukuo and is spilling over into North China. The Navy, not to be outdone, reaches threateningly far into the Pacific.

own fields. The little brown salesmen, the bills of goods, the fringes of settlements are a disease not yet met with an effective antidote. Of course, some of the threatened peoples are looking to the old remedies: Netherlands India has been buying aircraft and building air bases, and the Australian Government has been seriously considering a comprehensive program of armament. This last development has been spurred by candid expressions in the Japanese press that the climate of Australia is more suitable for colonization than that of Manchukuo. Among other incidents to further excite a mutual distrust was the publication of a retired Japanese Admiral's pipe dreams, one of which involved a fantastic naval attack on Australian coastal towns under cover of darkness. Such an irresponsible expression of opinion was quickly repudiated by the Japanese authorities. But the Australians are not reassured, since there is no telling just how many of the Mikado's Admirals are intrigued by the idea of a terroristic invasion much after the style of the Manchukuoan invasion.

However, within Japan there is an irreconcilable split between the civil bureaucracy and the military leaders over the method of carrying out identical imperialist ambitions. Both bodies struggle for ascendency, the military with a view to imperialism through conquest, and the civilian bureaucracy to execute a far less dangerous plan predicated on goodwill through commercial penetration. The future of Japanese imperialism hinges upon the outcome of this struggle. If the military authorities win there will certainly be war, with Japan fighting with everything she has, and the devil take the hindmost. But if the military listen to reason, the industrial gentlemen of Japan (who are the civil authorities,) will continue the phenomenal price raids on world markets, taking their chance with the frustrated anger of the peasantry at home.

United States

For purposes of defense in the Atlantic and Pacific Oceans, and by virtue of economic interests in South America, the American lifelines, although much less precariously held, surpass by many thousand miles the famous British lines. But they are not vital in the sense that the British lines are vital to the national economic life of the empire. Any temporary interception of one or more of the lines would not profoundly affect the existence of the United States. Except for defense, the zones of influence delimited by the lines have been superficially grafted upon the life of the nation, either as the result of dollar imperialism or moralistic fervor, a good example of the former being our past solicitude for the South American neighbors, and of the latter, our benevolent administration of the Philippine Islands.

Theoretically, the Atlantic lifeline extends the entire length of both North and South America, from Cape Farewell at the tip of Greenland to the Antarctic icepacks shadowing Cape Horn. An armed interception of this line at any point, whether for the hostile invasion of Canada, or a political incursion into South America, would meet armed resistance from the United States.

In the Pacific, where contact is maintained with the dynamic naval forces of Japan, American lifelines have metamorphosed from the economic phase to primary military and maritime strategy. The most precarious of these lines, in the sense that they bisect zones of Japanese influence, have long been a subject of debate between civil and military authorities. For strategical purposes, an imaginary line is extended from the Aleutian Islands at the tip of Alaska to the Philippine Islands, representing a first line of defense. From the Philippines another line is drawn to the Hawaiian Islands, representing roughly a communicative line paralleling the new Pan American air route. To close this imaginary triangle another line is drawn from the Hawaiian Islands to the Aleutians representing the second and most important line of U. S. defense. American naval authorities frankly admit the first line of defense is untenable, since to penetrate the Micronesian islands and effect a juncture with the Philippines would be impossible in the face of a well-screened Japanese fleet. In view of this opinion, civil authorities are not so realistic in their insistence that Japanese encroachment on the Philippines will be met with force. However, it is hardly possible that the naval authorities, who have recognized the fact that the Philippines are today no more than a hostage to Japan, will ever sanction such a defense on even the most moral grounds.

Because of Japanese ambition the American lifelines in the Pacific have become primarily defensive, almost identical to the line along the Atlantic coast. From the Aleutian Islands they extend south to Cape Horn passing through the powerfully fortified Hawaiian Islands, to effectively screen the northern Pacific coast, the Panama Canal, and the South American countries, all of which have recently accepted, by implication at least, the armed protection of the United States in the event of invasion.

GERMANY'S COLONIES

The Reich's colonial domain was won and lost within a single generation

BY CURT. L. HEYMANN

THE Council of Three—Clemenceau, Wilson, and Lloyd George—announced the disposition of the German colonies on May 7, 1919. The decision spread despair among the German people who had been proud of their overseas possessions and who, stripped of them all, lost whatever remained of their national self-confidence. Of all the blows of the Versailles Treaty, this was the most severe.

Today, of the little that is left of the clauses of that peace pact, articles 118 to 127, renouncing Germany's rights, titles, and privileges in connection with her overseas possessions, in favor of the allied and associated powers, are still intact.

The Reich's colonial domain was won and lost within the space of a single generation. Thirty-five years covered the whole span of Germany's existence as a colonizing power. It was comparatively late when Imperial Germany set out to obtain a place in the international "scramble for territory." When she did, she faced the fact that most of the Dark Continent was divided among other European nations. Britain, France, and Belgium—in addition to Italy, Portugal, and Spain—had their share in Africa. These nations, in contrast to Germany, were satisfied regarding their colonial ambitions.

The Reich's policy of expansion actually began in 1873 when, as an ultimate result of the Franco-Prussian war, an economic crisis forced many Germans to leave the Fatherland. But it was not until 1884 that Bismarck put his official sanction on a movement of expansion which, within an incredibly short period, raised Germany to the rank of a colonial power. For various reasons the Iron Chancellor had been opposed to overseas territories. As late as 1880 he told Prince Hohenlohe, the future Chancellor, that Germany neither possessed a fleet strong enough to protect possessions abroad, nor an administrative body efficient enough to govern them.

A "World" Power

But colonial aspirations soon took a concrete form and forced Bismarck to revise his stand. In 1882, the German Colonial Society was formed for purely propagandistic reasons. This organization ever since has remained the driving force behind the German ambition to play a part in world colonization. It was exactly the word "world" which became the credo, first of the colonial movement, and later of the pan-Germanic crusade which swept the Empire. The German fleet, in the words of the Kaiser, had to testify before the *world* concerning Germany's splendor and grandeur: Germany was a *world* power and her ruler made *world* policy; "Made in Germany" became the slogan for *world* markets; Albert Ballin wrote on the building of his shipping line in Hamburg "My field is the *world*"; and finally Germany herself was convinced that the *world* should profit from the German example. (*"Am deutschen Wesen soll die Welt genesen."*)

The idea of world supremacy goes back to Frederick William, the "Great Elector" of Prussia, and it was carried on through centuries until the Overseas Germany of Wilhelm II aroused such lively apprehension among statesmen of other nations as to contribute materially toward precipitating the World War. Yet, strangely enough,

until the turn of the century "colonial penetration" was to the Kaiser a matter of minor concern. Like Bismarck, who, even after his retirement, confessed that he never had been a "colony man", the Kaiser admits in his memoirs that to him Zanzibar had no value as a foreign port and that he ceded it to England in exchange for Heligoland to pursue a naval, not a colonial policy. He remained on the defensive in colonial affairs and Chancellor Caprivi, Bismarck's successor, had in his anti-colonial attitude his imperial master's full approval. On one occasion he threatened to sell German Southwest Africa, and in connection with the treaty of October 1893, by which Germany left the British a free hand over Lake Albert, he declared before the Reichstag: "Let us thank God that some one did not make us a present of the whole of Africa."

Colonial Foundations

While in the eyes of the Kaiser Germany's African colonies were negligible, his ambition was to be on equal footing with Britain as a world power. An admirer of Cecil Rhodes, he finally conceived the idea of rivaling the English in Africa. Paradoxical as it sounds, he based his claim for colonizing on his naval program, holding that his war fleet needed a wider field of action to document its efficiency before the world.

The ground for such a policy had been well prepared before he took the throne in 1888. The trader Lüderitz of Bremen had set foot in Walfish Bay in 1878, and five years later had founded, through the purchase of a strip of land on the coast of Southwest Africa, the first German colony.

Adolf Woermann, a Hamburg merchant, founder of the New Guinea Company, had sent a private expedition to the Pacific and hoisted the German flag on the island of New Guinea in 1884. England had protested, but Bismarck, for reasons of prestige, had stood firm. Through an Anglo-German deal, the Reich had received the northeastern part of the island, which became Kaiser Wilhelmsland and to which other groups of islands under the name Bismarck Archipelago were later added.

The explorer Gustav Nachtigal had annexed Togoland and the Cameroons in the same year.

Karl Peters, a young, energetic, and enterprising writer, 28 years old, became the founder of German East Africa. He was the prototype of a Pan Germanist, a modern Cortez or Pizarro, with no less an ambition than to conquer the world for the glory of the Fatherland. In fact, he was the spiritual father of the Pan-Germanic movement which, through the protection of nationalists, junkers, and the heavy industries, became nation-wide, and which, through men like Buelow, Tirpitz, and Dernburg, received governmental support. It was especially due to the latter who, as first Secretary of the Colonies, became the apostle of "scientific colonization", that *Kolonialpolitik* followed a definite trend and at times even overshadowed continental *Realpolitik*. The colonial movement had now gained so much public support that neither the Tippelskirch-Podbielski scandal, the German "Panama", nor the sentence of Karl Peters for "misuse of official power" in his treatment of the natives, could hamper it. Financial difficulties were overcome through the founding of the East Africa Company by the Jewish banking house of Bleichroeder and the Disconto Gesellschaft. The organization obtained an Imperial charter.

The settlement of the Spanish-German dispute over the Caroline Islands with Pope Leo XIII as arbiter in 1886 terminated the Bismarck era of colonial conquest. The Germans had followed a colonial policy in Africa termed by the French as *annexions au princeau.* The so-called Congo Conference, held at Berlin in 1884, sealed the first period of German colonial expansion legally and internationally. The Reich concluded a series of agreements with France and England principally to determine the sphere of influence of the powers concerned. The Brussels African Act of 1890 established the Middle African

DIVISION OF SPOILS: *How the victors parcelled out the German colonies after the last War.*

Zone of International Influence. The foundation stone of the German Colonial Empire in Africa was laid, and Pan Germanism built on it its dream of *Mittelafrika,* analogous to *Mitteleuropa,* which—as a result of the anticipated victory of the Central Powers—was to reach from the Mediterranean to the Baltic Sea. *Mittelafrika,* crossing the African Continent from the Atlantic to the Pacific Ocean, was to extend from German Southwest Africa northward into the central territory of the African Continent, and southward to include the Union of South Africa. A German railroad from the Indian Ocean to Lake Tanganyika was to be the backbone of this ocean-to-ocean empire. Bernhardi, long before the war, hinted at the surrender of the Belgian Congo as the price for Belgium's neutrality, and France was to yield part of French West Africa as compensation for her Moroccan acquisitions, to link German East Africa with the Cameroons.

Eastward Bound

For the time being, nothing more could be gained in Africa, and the Kaiser's expansion policy moved eastward. Wilhelm II proposed to European powers a crusade against the "yellow peril", and made his dramatic entrance into Jerusalem in 1898, posing as the protector of Islam. Field Marshal Count Waldersee commanded the international expeditionary force at Shanghai in 1900, and the Emperor was officially received in Tangier in 1905. Yet he kept a close watch on Africa, as substantiated by many incidents. When Britain conquered the Boer republics, the Kaiser's famous telegram to Krueger revealed Germany's resentment. When France, following the Fashoda crisis, began to occupy Morocco, German resentment was disclosed in three separate attempts to block the absorption of the last remaining fields open for German expansion.

Berlin decided in 1895, after the Chino-Japanese war, to take advantage of the situation in the Far East. The Kaiser posed as protector of the Chinese against Japan, and in 1897, after some German missionaries were assassinated in China, a German squadron occupied Kiaochow. Imperialistic Germany gradually strengthened her foothold in Asia by receiving from China a concession for that territory for 99 years. An expedition into Oceania followed. The German Government in 1899 purchased the Caroline and Marianne Islands from Spain for 17 million marks. Previously, the Marshall and Pleasant Islands had been annexed. A convention regulated British and German influence in the Solomon Islands in 1899, and in the following year the Reich received from England all rights over Western Samoa. No more foreign territory was acquired until 1911, when a considerable area of French Equatorial Africa was transferred to the German Cameroons. After the Moroccan crisis, Berlin opened negotiations with London for Portugal's African colonies. An agreement was reached but the World War prevented its ratification.

Colonial Warfare

At the outbreak of the conflict, Germany had constructed a colonial empire of more than one million square miles, five times the area of the Reich, with a population of fourteen million, or about one fourth of the populace on German territory in Europe. The invested capital in Overseas Germany amounted to about 500,000,000 marks. While the world today is inclined to attribute the loss of this vast empire to the outcome of the negotiations, it is noteworthy that it was actually lost through military operations at the beginning of the war. In spite of all efforts, Imperial Germany was not sufficiently prepared for colonial warfare. The conflict centered on the Continent with the blockade of the Central Powers as a result. Consequently, Germany was not in a position to protect her overseas possessions. Togoland, the Cameroons, and the German colonies in the Pacific were occupied in 1914. German Southwest Africa surrendered in 1915, and only Lettow-Vorbeck offered considerable resistance in East Africa with a force of 5,000. An overwhelming force fought

against him, and in the end he slipped across the frontier into Portuguese Africa, maintaining a guerrilla campaign until the armistice.

Final Act

The last act in the drama of Germany's colonial history was spoken at Versailles. By the stroke of a pen the Reich lost:

I. In Africa: *Togoland, the Cameroons, German Southwest Africa, and German East Africa. Total area 947,598 square miles; population 12,000,000 natives, 22,000 whites.*

Under the mandates granted by the League of Nations, the greater part of Togoland was allotted to France, which also received about five eighths of the Cameroons. Southwest Africa is administered by the Government of the Union of South Africa. German East Africa has been divided into the Tanganyika territory, administered by Great Britain, and Ruanda-Urundi, administered by Belgium.

II. In the Pacific: *German New Guinea, Kaiser Wilhelmsland, the Bismarck Archipelago, the Caroline, Marianne, Soloman, Marshall, and Samoan Islands. Total area 105,160 square miles; population 769,000 natives, 1,900 whites.*

The possessions in this group lying north of the Equator went to Japan. Those in the south were divided between Australia and New Zealand.

III. In Asia: *Kiaochow. Area 220 square miles; population 192,000 natives, 4,500 whites.*

This was given to Japan, as were the valuable German concessions at Shantung, Tientsin and Hankow, all of which were later turned over to China.

While the final disposition of the German colonies was made at Versailles, the Allies' statesmen reached their decision under the pressure of previous obligations. The conquest of Overseas Germany was foreseen in the negotiations which preceded Italy's entry into war and an agreement to this effect was signed by the Allies in London in 1915. By commitments of Great Britain to Australia, South Africa, and New Zealand it was arranged that these three should conquer the German colonies desired by them, and that Great Britain would do all in her power to obtain these territories for them after the war. By unpublished understandings between Britain and France, they were to acquire Togoland and the Cameroons and to support each other in obtaining their portion. In 1917, Japan, in a similar secret agreement with Britain and France, obtained their permission to acquire the German islands north of the Equator. As may be seen, the distribution exactly followed the plan of conquest and corresponded with the prearrangements of the major powers. Only Belgium protested —on the ground that she had not participated in the agreements.

Aftermath

It was this kind of settlement which aroused German indignation and created the slogan of "*Kolonialraub.*" They claimed that the acceptance of Wilson's First Point prohibited "private international understanding of any kind." And, in accordance with his Fifth Point, based on the equality principle of sovereignty, the Reich sought impartial adjustment of all colonial claims which had been Wilson's aim.

There followed a world-wide propaganda to prove that the Reich, because of maltreatment of native populations, was unfit as a colonizer. One of the most remarkable publications to this effect was the British White Paper, containing the official correspondence relating to the wishes of the natives of the colonies as to their future government. The findings of the Parliamentary Committee constituted a terrible indictment of German colonial mismanagement and brutality. The pamphlet *The Black Slaves of Prussia*, an open letter addressed to General Smuts by Frank Weston, Bishop of Zanzibar, formed another piece of evidence. General Smuts described it as "an imposing array of facts." Also quoted frequently in those days was General von Trotha's proclamation to the Herreros, which contained the

phrase: "Within the German frontier, every Herrero with or without a rifle will be shot *** I will not take over any more women and children, but will either drive them back to their people or have them fired on." It was ascribed to such methods of "penetration" that the native population in Southwest Africa was reduced from 200,000 to 82,000 in three years.

But on the other hand there is ample evidence by foremost British authorities on colonial affairs which showed that conditions had been exaggerated and that the Reich's methods in Africa were not so widely different from those employed by other colonizing nations. After all, the same powers which denounced the Germans had sanctioned their actions by legalized pacts in pre-war days. These were the arguments of men like Dr. Schnee and Dr. Schacht whenever they brought Germany's claim for the return of her colonies to the fore. They and the many apostles of the Reich's re-emergence as a colonial power stressed that claim at every opportune moment. They wanted colonial readjustment to be the price of the Allies for Germany's acceptance of the Dawes plan, her entrance into the League, and the sacrifices she was supposed to have made at Locarno. Never in the course of political developments during the last ten years did any German Government cease to claim what seemed definitely lost. Today, with a Nazi administration at the helm, and with Hitler's promulgation of the four-year plan in which he asserted Germany's right to colonies, the Reich once more is "colony-minded." Official colonial propaganda has been stopped at present for the sake of Anglo-German relations, but the question sooner or later threatens to become an international issue. From the German viewpoint the reasons are fourfold: Colonies would provide raw material, obtain a market for German goods, offer an outlet for overflow population, and restore the Reich's world prestige.

As to the question of raw materials, it has been repeatedly stated that the economic value of the former German colonies in Africa is very poor, and that even in Eastern Asia, Germany held nothing of great economic value. From her Pacific possessions she never extracted much material profit. As to markets: In the years preceding the war, Germany's imports amounted to $2,750,000,000, of which the German colonies contributed less than $14,000,000, or about one half of 1%. Of Germany's exports, the colonies consumed seven tenths of 1%. As to emigration: With the exception of parts of former German East Africa, the Reich's former African possessions are not suited for white settlement. Furthermore, at the outbreak of the World War, only 23,000 Germans were scattered throughout all of Germany's colonies.

Toward Readjustment?

There remains the question of Germany's prestige, which today means the prestige of the Third Reich. Again, the Germans make the return of their colonies the first condition for their return to Geneva. They reinforce economic arguments with moral reasons, and while the extremes claim *all* the former possessions, the Hitler régime concentrates its aims on Africa "to maintain the African equilibrium." The French have protested and Marius Moutet, Minister for Colonies, declared in a recent interview that France would never renounce her mandates. British politicians are most sensitive about the matter and have repeatedly demanded the Government's assurance that not a square inch of Britain's colonies would be abandoned, whether they are held under mandate or otherwise. Last Christmas when Hitler hinted again at the return of Germany's pre-war colonial possessions, officials in Paris said France would return her former German colonies in Africa if the Reich agreed to a disarmament program. But Britain's views regarding redistribution of territories gained by the Allies as a result of the World War remained unchanged. London's stand is that the issue must be handled through Geneva. The "open door" in colonial territories, proposed by Lord Lugard, British member

of the Permanent Mandates Commission of the League of Nations, would be wholly insufficient for Germany, and Foreign Secretary Anthony Eden is hoping that Hitler's demand for "colonial equality" simply means equality in colonial trade. It is clear that Britain would go no further than to rescind the charge by the Allied Powers that Germany was "permanently unfit for colonial activities." A map, published by the British Government, shows at a glance the great ocean areas which would be imperiled by German U-boats should the former German colonies be returned to the Reich. A German submarine base in East Africa alone would control a 4,000-mile arc.

Furthermore, the New Germany, which divides the world into Germans and non-Germans, restricts Reich citizenship under the Aryan clause. The principle, if carried to a logical conclusion, would probably prohibit a German colonial population from becoming German subjects. Therefore, the world at large may ask itself how such a racial doctrine would conform with the principles of other colonizing nations which, in their treatment of the natives, have not chosen to play the rôle of "the master race."

Germany's Colonial Strategy

THE economic argument for the return of Germany's colonies simply does not hold water. The real motives must be sought in diplomacy, strategy and prestige. * * *

One may be excused, indeed, for wondering whether the true reasons for those demands—as today expressed by the Nazi leaders—are to be found in the objective merits of the colonial question. Bismarck's attitude towards colonialism, from which Herr Hitler's clearly draws much of its inspiration, may be interpreted, not as one of opposition in principle, but merely as one of invariable subordination to foreign policy. When it suited his hand to push forward German colonial expansion in Africa or the Pacific he had no hesitation in doing so, and by skilful playing of this extra card he succeeded on occasion, not only in sowing suspicion and discord between England and France and other colonial Powers, but also in splitting public opinion in Great Britain itself. Is there not at least a possibility that Herr Hitler has a similar purpose in raising the colonial question today, after having himself declared it to be distracting and dangerous? To sap the moral strength of Great Britain's position, to sow discord between the colonial and the non-colonial Powers among Germany's neighbours, and to confuse and divide British public opinion—these would be diplomatic objectives well worth achieving.

The Round Table, December, 1936

WHITHER MUSSOLINI?

Il Duce loses favor at home. Abroad, he finds his Nazi "ally" is a rival

BY W. WALTER CROTCH

THE international situation is so laden with electricity that no one concerned with foreign affairs would be prepared to take a definitely sanguine view of the prospects for the present year.

Certain broad facts emerge from the prevailing fog: the presence in Europe of a rearmed Germany, pursuing a policy alien in spirit and in methods to that of most other powers, suspected by some of aiming at European hegemony, believed by others to be drifting into a condition of economic distress and political discontent—such that war might well appear to her rulers as the only way out; the presence in the Far East of an uneasy and ambitious Japan, the extent of whose designs is a matter of grave speculation in London, in Washington, and in Moscow; the existence in Spain of internecine military activity of which no man can tell whether it may not suddenly expand to a larger stage: and finally, partly due to these facts, the tightening up of the bonds of solidarity between the two great Western powers, England and France, with Soviet Russia and the United States in the background as moral, or perhaps actual, associates. Apart from these main facts there is a disconcertingly large number of question marks: the attitude of Poland, of the Baltic, Danubian, and Balkan states, and, above all, the attitude of Italy.

Italian policy is without doubt the great mystery of the present European situation. Where does Italy stand? Is she really, as many believe, the associate, if not the ally, of Germany? Has she resolutely and definitely broken the ties which for years linked her up, more or less loosely, with the Western powers? How far is Italy's colonial development responsible for her present policy? How far do her colonial aspirations extend? Which of the two great questions, the Mediterranean or the Danube, is for her of compelling moment? Can she pursue both ends concurrently? If so, how? Does she stand today for peace or for war?

The foreign policy of any country depends upon certain considerations, the relative importance of which may vary, but not one of which can be altogether ignored at any given moment by its rulers, whatever their political complexion may happen to be.

Population Demands

The Italy of today is in the ascendant—at least she believes she is, which comes to the same thing. She will not be content, therefore with a passive or subordinate part. She occupies a position in the center of the stage, and she will not surrender it. So much for the momentum of her policy. What economic, geographical, and historical facts govern its direction?

Two facts stand out. The first and the more important is that she has comparatively few natural resources, but a teeming population. The second is that she has relatively short land frontiers, and is almost everywhere surrounded by sea—by *a* sea, the Mediterranean.

The first of these two vital moments forces her to expand. It, more than anything else, is responsible for the aggressive, revisionist, imperialistic political phase through which she is passing and which bears the name of Fascism. So long as other countries—North and South America

Pix

STUFFED SHIRT ON TOUR: In Budapest Count Ciano (center) receives an icy reception from Foreign Minister de Kanya (left) and Premier Daranyi of Hungary.

and, in a lesser degree, France—were able and willing to absorb Italy's surplus population, there was no pressing need for Italy to expand. Now that every country under the sun has barred alien immigration, Italy must expand or explode.

There are only two directions in which expansion is possible: in the Danubian basin (a broad term including the Balkans), or overseas.

Mussolini is much too shrewd a politician to abandon altogether any possibility, so that, as we shall see later on, Italian ambitions in southeastern Europe must be reckoned with; but it is the second possibility—overseas expansion—on which he concentrated first and foremost. Hence the Abyssinian adventure.

A Cavour or even a Crispi would probably have found less theatrical and therefore less dangerous means of "absorbing" Abyssinia. But theatricalism is part and parcel of the Mussolinian method. And in the present case he was induced to believe in its practicability by the assurances of the man who, at that time, for the sins of France and of Europe, directed French foreign policy—Pierre Laval. Laval not only gave Mussolini the blank check he wanted, but led him to believe that French support would entail acceptance by England and by the League of Nations. There is no need to recall the string of tragic consequences of this blunder on the part of M. Laval.

Not only did Mussolini find himself at daggers drawn with the League of Nations, but for the first time in history Italy found herself in the sharpest opposition to Great Britain.

On Britain's Toes

If the Mediterranean is for Italy the sea that bathes her shores, for Britain it is the main seaway of empire. London could not accept the version which looks upon the

Mediterranean as an Italian sea. And Mussolini would not accept *de facto* British control over the two outlets of his Italian lake: the Strait of Gibraltar and the Suez Canal.

For a variety of reasons Britain did not push the matter to a trial of naval strength. But for one reason only—the fact that, despite all his blustering, he did not feel himself strong enough to fight the battle out alone—Mussolini also curbed his combative spirit. He could do so all the easier since the use of modern technical weapons and of poison gas gave him a swift military victory over the Abyssinians. However, the very extent of that apparent victory, and especially the fact that the Negus left his country, proved awkward for Mussolini, who had contemplated a somewhat different ending. He had hoped that Haile Selassie would bow gracefully before his conqueror and accept his crown from Victor Emanuel with a yearly appanage and an Italian Residency General. This would have solved many problems. Abyssinia would have been kept in order without the permanent presence of 250,000 of Italy's best soldiers, who, incidentally, get so quickly worn out by the climate and by guerilla attacks that they must be relieved every six months. Again, the Italians would have had a free hand to exploit the national resources of the country and to establish colonial settlements in those regions where climate permitted. And, last but not least, an Abyssinian vassal government would have been allowed to make concessions to Britain in the Tana Lake region which, out of prestige considerations, Mussolini cannot, and will not, make direct.

Mussolini found himself in an impasse: estranged from England, estranged, especially after the advent to power of the *Front Populaire*, from France; estranged, above all, from the League of Nations; compelled by force of circumstances to give up collective security and the whole of Geneva ideology; standing almost isolated with three ridiculous little semi-vassal states, Albania, Austria, and Hungary, and not knowing how long he could hold them.

Toward Berlin — and Madrid

He took the line of least resistance. There was in Europe another power suffering from the disease of isolation—Germany. Mussolini resolved to explore the possibility of working with Berlin. There was in the western Mediterranean a country that seemed ripe for anarchy; he would attempt to secure a footing there, and thereby bring the western half of the "Italian lake" under Italian control.

Events precipitated themselves. On July 11 the basis for an Italo-German accord was laid down by the signing of the Austro-German Agreement. On July 18 the military rising broke out in Spain that was to serve Italian ends.

But again plans did not work out as Mussolini had hoped. The Spanish people failed to respond to the rebel generals' appeals; on the contrary, they resisted and pushed the insurgents back. It became necessary to intervene in more or less discreet form, to send airplanes and aviators, arms and munitions, tanks and technicians; and—doubtful privilege—to share these efforts with Germany, without having reached any agreement with Berlin regarding the disposal of the bear's skin after the bear should have been duly killed. Naval stations in the Balearic Islands, mineral concessions in Spain and Morocco, commercial and colonial settlements in Spanish northwest Africa—these were things upon which Hitler had set his heart not less than Mussolini.

That was a first rift in the new Italo-German lute—a rift which has not been patched up yet, though singularly little is being said or written about it. There followed others: the sudden abnormal growth of German influence in Vienna; the secret military conversations between the German and Austrian general staffs; the activity of Mackensen, the German Minister in Hungary; the perpetual travels of Messrs. Schacht and Goering to Danubian and Balkan capitals; the singular development of German economic relations with the southeastern powers—all calculated to cause some uneasiness at the Palazzo Chigi,

where Austria always touches a painfully sensitive nerve and where the Balkans are looked upon as a possible Italian, but an insufferable German or Russian, annex.

There were two other disquieting factors. One was internal, the other foreign. As for the first, in the long run even a Fascist régime cannot dispense with the backing of public opinion and, for the first time since Mussolini grafted the *fascio* on the crown of the House of Savoy, Italian public opinion has turned against Mussolini's policy. The external factor is the danger of war due to the vagaries of German policy.

Not Ready for War

For Mussolini, war is inadmissible as long as 250,000 of his best troops are locked up in Abyssinian fastnesses, where they must be supplied, maintained by frequent drafts, and kept efficient by periodical exchanges of units with the home army. Moreover war at the present time would be useless. A boa does not ramp about the jungle looking for more food whilst his body is still bulging with the undigested animal that formed his last meal. Rightly or wrongly, Mussolini believes that in Abyssinia he has obtained a prize—a country of fabulous resources, capable through hard labor and efficient settlement of becoming a wonderful colony. But he requires time to accomplish this, and above all he requires peace.

"If Mussolini walks arm-in-arm with Hitler," a shrewd Italian diplomat remarked recently, "it is just that he hopes by so doing to prevent Hitler from running amuck."

Losing Public Favor

These, however, if they be true, are niceties too fine to be appreciated by the public. The foreign observer returning to Italy right now after an absence of, say, two years, is struck with amazement at the change in public opinion. Fascism has lost its glamor and Mussolini himself has lost much of his strange power over the minds and feelings of men. To gather together the crowd of 100,000 which recently cheered him on the great cathedral square of Milan, special trains had to be run from all parts of the country—even from far off Calabria; and Milan is a city of 1,000,000 inhabitants. Everywhere one goes, men and women of all classes may be heard openly complaining and criticising.

There are several causes for this popular discontent. Many who had fallen under the spell of Mussolini, resent his attempt to establish a kind of dynasty by pushing into the foreground and advertising as his successor his futile and slightly ridiculous son-in-law, Ciano. The perpetual imperative calls upon the Italian upper and middle classes to subscribe to short-lived "loans", every one of which erodes the unfortunate citizen's fortune by from 5% to 10%, and is the more deeply resented since it is common knowledge that national finances are going from bad to worse. You cannot expect a skilled metal-worker to cultivate much enthusiasm on a wage of about seventy-five cents a day, or a chauffeur on his pay of $12.75 a month. This—not to speak of the unemployed who, for 3 months, only receive the munificent dole of sixteen cents a day. At the other end of the social scale, but in his dissatisfaction at least as voluble, stands that Turin manufacturer employing some 2,000 men, who told the writer:

"By the time I have paid all the hands for whom I have no work, but whom I am forbidden by the state to dismiss, and after I have paid all my dues, taxes, subscribed to all the voluntary loans and funds, I clear a profit about equal to that of one of my own workmen.

"If this goes on I will close down and go to work in a factory myself. It will be just as lucrative and much less troublesome."

The public also shows a violent dislike for the present apparent trend of Mussolini's foreign policy. There was a brief moment during the Abyssinian war when, amid the excitement of flag-waving and band-playing, large sections of the Italian people reveled in an orgy of anti-British

sentiment. But that fever has subsided and the clear-cut logic of the Latin mind has come into its own again. Men reflect and openly say that in the long run Italy cannot live in antagonism to England; her shores are too open to naval attack; her real interests do not clash with those of Britain; and a Mediterranean is perfectly conceivable which serves at once as a carrier of Italian seaborne trade and a seaway for British fleets. If Abyssinia be really worth while, it can be kept and developed only with the financial assistance of London. If it should prove to be a snare and a delusion, an outlet for Italy's surplus population could only be found elsewhere with the coöperation and goodwill of England and of her ally, France.

The Italian man-in-the-street views with deep suspicion the Spanish adventure, and fears that, even should it succeed, the attempt to obtain the hoped-for advantages in the Balearic Isles, for instance, would permanently endanger good relations with England. As for Germany, the average Italian has never been consumed with love for that country and its people; he is afraid of German aggressiveness, and he fears lest the inevitable end of an Italo-German association should be a war which he has not the slightest wish to see.

Ciano's Rounds

When Ciano went on his rounds to Berlin, Vienna, and Budapest, Mussolini, who is always exceedingly well informed regarding Italian public opinion, was well aware of all this. Ciano's mission in Berlin was not so much that of negotiator as of explorer. He had to feel the ground, to obtain as much, and to give away as little as possible. The result of the Berlin visit was correspondingly small: Germany recognized the Italo-Abyssinian empire: Italy vaguely promised to support Germany's colonial claims and still more vaguely agreed that Hitler's latest uniform as a Knight in Shining Armor for the Defense of Civilization against Bolshevism was a very becoming costume indeed. But when the matter became acute a few weeks later and Italy was confidently announced in Berlin as about to sign the German-Japanese pact against the Reds, Mussolini cautiously held back. The costume might look impressively resplendent on Hitler, but Mussolini was in no hurry to don it himself.

Ciano's sojourn in Vienna was in many ways more fruitful than his visit to Berlin. It was realized that the Austro-German agreement of July 11 had resulted in an alarming increase of German influence in Vienna at the cost of Italian influence. Peaceful penetration of Austria by the Berlin wire-pullers was in an advanced state. Even if one could trust the German self-denying ordinance relegating the formal *Anschluss* to the limbo of forgotten things, a Berlin-penetrated Austria meant that the door to German expansion down the Danube, toward the Balkans, and beyond them to the shores of the eastern Mediterranean and to the middle east, would be opened—memories of a certain Imperial Road to Baghdad; moreover, the Mediterranean again, in a new and not too pleasant aspect! And, above all, a potential rival to that Italian influence in the Balkans which is the other string to the Italian expansion bow.

So Mussolini's efforts in Vienna were directed toward regaining lost ground and counteracting German influence. The efforts were to some extent successful. Ciano left Vienna with a smile, while a somewhat sulky Herr von Papen went to report to a frowning Fuehrer.

Hungary was the next stage. Under the late Premier Goemboes, Hungary had openly sailed in German waters. But Goemboes died in the nick of time, and Mussolini improved the shining hour by telling the world in Milan that Hungary had been shamefully amputated by the peace treaties. Amid universal rejoicing, waving flags and ringing of church bells, Hungary took the Duce to her heart. All of a sudden Hitler was nowhere.

But the Milan speech cannot be reckoned among the Duce's masterpieces. Its es-

pousal of Hungary's cause had a deplorable effect in Bucharest, where Italian hopes had been running high, and in Belgrade damped down very markedly the favor which M. Stoyadinovitch and Prince Regent Paul had begun to manifest toward Italian advances. At the tripartite conference in Vienna, Ciano had been given the ungrateful task of telling the Hungarians that, while their cause was just, the time for action was not yet. It would have taken a much more skilful diplomat than poor Ciano to make that dish acceptable to Hungarian palates, and when the Duce's son-in-law and heir presumptive reached Budapest, it was a very icy wind in which the flags of welcome fluttered. To save the situation, Regent Horthy was given a reception in Rome such as is usually accorded only to reigning sovereigns, and Mussolini not only exerted all his personal charm, but pressed into service even the usually neglected King to pour the balm of comfortable words into Hungarian wounds.

The battle for Budapest is neither lost nor won as yet; it is still on. But the significant thing is that it is a battle between Italy and Germany. Battle in Vienna. Battle in Budapest. Rivalry in Spain. Rivalry in the Balkans.

A Weak Alliance

Viewed in the cold light of facts, Italy's position on the international chess board appears much less mysterious and threatening than it would seem through a superficial glance at the daily press in Paris or London. And one understands why a friend of Mussolini who visited him recently after a separation of many months found him depressed and nervous, his dominating thought being the urgent necessity for a gentleman's agreement with England in the Mediterranean.

His conception of such an agreement may not coincide with the British conception. But when one of the parties really wants to reach an agreement, it is usually possible to come to terms.

When one considers all the facts carefully and logically, it is impossible to resist the conclusion that the Italo-German bloc of which so much has been heard recently is not a building of granite, but a hastily put up structure of stucco, and that by the exercise of a judicious mixture of courtesy, firmness, and kindness, it should be perfectly possible to lead Mussolini back to the path of peace, European order, and collective security, along which for many years he was content to tread with England and France.

JAPAN AT SEA

In every port of the world, Nippon's merchant ships bid for supremacy

BY STUART LILLICO

EARLY in the twentieth century, so the story goes, one of the fast-growing Japanese steamship lines placed an order with a Scottish shipbuilding firm for three trans-Pacific liners. The plans were drawn up in Glasgow in accordance with Tokyo's wishes and a year later the first of the ships was delivered. While the second was under construction, the steamship line asked to have the drawings sent to it for some necessary revisions. Eventually the order for the third liner was canceled and instead, the company built its own ship from the plans it was supposed to have revised.

All went well until the day of the launching, when the Japanese-made vessel rolled over on its side in the harbor and started to sink. The consternation in Tokyo was not alleviated by the almost audible chuckles from Glasgow, where the shipbuilders were telling their friends how, before returning the designs for "revision", they had altered them to shift the center of gravity over into the starboard coal-bunkers.

The story may or may not be true; however, if it is, the Glasgow interests long ago have quit chuckling, for the Nipponese today are among the most accomplished shipbuilders and probably the most active by far. Japanese shipyards are working at capacity speed, not to turn out warships, as are most countries today, but to produce honest merchant vessels, freighters, and passenger liners. Last May 1, the yards were building 120 ships and actually had on hand orders for 69 more—enough to keep them going at their present rate for a year and a half. Here are two typical results of this activity:

Japan today has the two fastest freight ships in the world, the Canberra Maru and the Tokyo Maru. They run between Kobe, Japan, and Sydney, Australia, in eleven days, while other ships in the same service require twenty.

Sixty-five percent of the tonnage operating from the Orient through the American-owned Panama Canal to New York is of Japanese registry. All but 11 of the 45 ships are less than six years old. One of them, the Kano Maru, holds the record for the run—slightly more than 25 days. Most ships take 31 days or more.

Why is Japan in this position? Is it the result of some uncanny ability to run ships at a profit when others have failed? Is it because the Government has been generous in handing out subsidies for construction and operation? Does it derive from slashed rates and special inducements to shippers? Or has it gone hand-in-hand with Japan's much publicized commercial expansion?

Any or all of these factors can be credited, but principally the responsibility must go to intelligent, consistent, and well thought-out Government encouragement and control. The official scrap-and-build subsidy, for instance, has resulted in the construction of 48 new ships in the past four years. On these, high and rigid technical standards have been maintained. Government-inspired agreements have resulted in the elimination of all unnecessary competition between lines. An example of this was the action of the Osaka Shosen Kaisha in dropping its service to Seattle and Van-

N. Y. K. Line

GREETING ON THE PACIFIC: Passengers on the Japanese liner Tatsuta Maru wave a greeting to a sister ship, the Chichibu Maru, on its Orient to California run.

couver in 1931 in return for the Nippon Yusen Kaisha's abandonment of the east coast of South America.

There are other factors, too. The depreciation of the Japanese currency in 1931 was of tremendous advantage to shipping companies. Most inter-continental rates are still collected in American dollars or pounds sterling, so that Japanese lines get from 20% to 50% more in "yen" than they formerly did for the same service. This margin—which is reflected in wages, upkeep, fuel (in the case of coal burners) and insurance—is sufficient to give the Japanese an operating profit where others have failed.

Conversely—and significantly—the nation's maritime aggressiveness has been of considerable benefit to Japan's financial position, for the adverse balance of international trade has been counteracted to an appreciable extent by freight payments. The annual return on Japan's overseas shipping was recently estimated by the *Chugai Shogyo*, premier industrial and commercial daily in Tokyo, at 220,000,000 yen—approximately $75,000,000.

Foreign Trade

Closely related to currency devaluation is foreign trade. Nippon's commerce abroad has increased approximately 300% since 1931 and in that same period the amount of tonnage in service has gone up slightly more than 650,000 tons. Japanese shipping which was tied up for lack of business in January 1932, totaled 370,000 tons. By January 1935 it had been cut to 60,000 tons and today the amount is less than 20,000. America has approximately 2,400,000 tons lying idle.

Despite consistent restrictions on Japan's foreign trade, the nation's harbors are almost frantic with activity. Not only do the Nippon ships carry Japanese goods bound for Japanese firms abroad, but they carry them for other national interests as well. This is the result of low rates.

The price that can be charged for taking a piece of goods from one port to another is dependent on operating costs, competition, the supply of cargo, and the chances of bringing something else back in the same ship. In every one of these considerations, Japan is at a tremendous advantage, and that is why rates are often so ridiculously low. Actually, most rates are under the control of conferences, which supposedly enforce uniform freights. However, these rates are based on compromise, meaning that they must be brought down to some approximation of the Japanese figures. This leaves a profit for Nippon, but frequently squeezes the foreign shipping companies.

Threat to Great Britain

The proof of the shipping is probably the amount of business it can obtain, and it is noteworthy that the Rising Sun emblem is a serious threat to the "crimson duster" of Great Britain in every port of the world. Japanese ships actually operate more frequently and successfully in the Indian and Australian services than the British do. In the Orient-Europe run, 200,000 tons of Nipponese bottoms are operating regularly, the total being exceeded only by Great Britain and Germany. In the trans-Pacific trade, Japan's total of 190,000 tons is second only to the United States.

Great Britain remains, of course, the premier ship operator, with 17,198,000 tons on the seas at the end of June 1935. The United States was next with 9,665,000 tons. Japan, holding third place with 4,086,000 tons, was slightly ahead of the traditional navigators, the Norwegians, who had 3,967,000 tons registered.

New York Express

Of all the services in which Japan is competing, the most impressive is undoubtedly the Orient-New York run. 61% of the ships on which are Japanese. And the story of how Nippon reached its dominating position is a good illustration of the nation's maritime aggressiveness. The importance of this route is based on Japan's biggest source of income—silk. Nearly 90% of the country's output goes to the textile mills in the eastern United States. Eight or ten years ago, raw silk was worth $500 a bale and special silk trains carried the cargoes from Seattle or Vancouver to New Jersey in just a little more time than the regular passenger trains took to reach Chicago. When the price declined, the transportation costs began to exceed the saving in interest and insurance that the speed made possible. Finally, about six years ago, it became more profitable to send the cargoes clear around to New York by water, rather than across the continent by train.

This express freight formed the basis of Japan's expansion on the Orient-New York run. Previously the Osaka Shosen Kaisha had been operating eight ships requiring 35 days or more for the trip. Possibly foreseeing the lucrative commerce which was about to come their way, the other lines in 1932 and 1933 began to build better and faster freighters for the service. Today the O.S.K. has eight 28-day ships, each of 9,500 tons, with a sailing every three weeks. Two more are being built to develop 20 knots.

The Nippon Yusen Kaisha has six 6,000-ton ships on the run, with a sailing every six weeks. The Kokusai Kisen Kaisha (International Steamship Company) has a semi-monthly service with seven new ships of 6,900 tons burden and the Kawasaki interests operate a thrice-monthly business with eight 9,000-ton vessels, five of which are old and soon to be replaced by 20-knot ships.

The Mitsui Bussan Kaisha operates three times a month with eight freighters. Like Kokusai, it uses only newly built, 20-knot ships. Moreover it is building three more vessels of the same size for the run.

Finally, the Yamashita Steamship Company plans to enter the competition with four new 9,800-ton vessels, now under construction. In all, there are today 45 Japanese ships, totaling 310,000 tons, operating between Yokohama and New York. Thirty-four of them are less than six years old.

N. Y. K. Line

THEY BID FOR SUPREMACY: Japanese shipping crowds the ice-choked mouth of the Pei-Ho River off Tientsin, North China. Everywhere Japanese merchantmen challenge the supremacy of Great Britain on the seas.

Australian Line

A decade ago Japan broke into the Australian shipping field. Today it operates more regular services to that country and to New Zealand than Great Britain does. Actually, last year 79% of the total shipping in the Antipodes was of Japanese registry. The twelve regular ships had a tonnage of 79,000. The world's speediest freighters, the Canberra Maru and its sister-ship, the Tokyo Maru, are in this service.

The O.S.K. is particularly proud of these two new ships, whose 21 knots it claims has never before been equaled by a cargo vessel. Yet despite the speed the cargo space is comparable with that of the biggest freighters afloat; the ship has room for 7,000 metric tons of deadweight cargo, 11,700 tons of grain, and 10,600 tons of baled goods. Special space includes a 40-ton mail room, a 240-ton silk room, and a 370-ton frozen chamber.

Japanese bottoms accounted for only 12% of the shipping on the Orient-Europe service last year and almost all of this was operated by the N.Y.K. However, the Kashii Maru of the Kokusai line arrived in London in June, the first vessel of a regular service which the company is inaugurating. British shipping immediately saw increased competition, particularly for the Blue Funnel Line. The speed, safety, accommodations, and modern equipment of the Kashii Maru are said to have caused something of a furore. Three more similar ships for the same service are under construction.

The list goes on almost without end. In the South Seas, along the Indian coast, and to South America and South Africa, Japanese shipping is a growing threat to the supremacy of the longer established lines. Many of these tramp and less important services are operated with old ships, some with vessels that have literally been snatched from the hands of the ship-breakers in Europe and America, to be operated at a profit by the Japanese for a few years after the original owners found

themselves unable to show anything but losses.

The so-called "near seas" services, those close to Japan, are almost monopolized. Up and down the China coast, inland and northward toward the sub-Arctic, the most reliable service is usually given by the Japanese. There are 116 Japanese ships in service carrying lumber alone from the northern island of Saghalien to the ports of Japan proper.

Government Subsidies

All this building and operating has not been haphazard. It is largely the result of the elaborate system of subsidies worked out by the Japanese Government. Just how far the industry would have progressed without this aid is difficult to determine, but the fact remains that today it is a potent factor in the international shipping situation.

Ship-improvement subsidies were initiated in 1932 and the third appropriation is now being used up. In the first two years, slightly less than $4,000,000 was spent to scrap 400,000 tons of old bottoms and build 200,000 tons of new ships. In each of the second and third one-year phases, $500,000 was spent, 50,000 tons scrapped, and 50,000 tons built. It is significant that the program so far has been characterized by provision for big ships designed for distant routes, the field in which Japan has made its spectacular rise.

In the program worked out for the 1937-38 fiscal year, the subsidy will not be conditional on scrapping old ships. Instead, speed will be emphasized as an adjunct to the national defense plans. Smaller near-sea shipping companies are expected to benefit more by this new policy. To help the big lines, however, $1,000,000 is included in the budget to guarantee interest on bank loans to finance shipbuilding.

Several notable new features are included in this budget. To clear the near seas of excess Japanese shipping, a subsidy is to be given for operating "distant routes", that is, lines between foreign ports without calls at Japan. About $10,000,000 will be spent on this alone in the next five years, although the exact basis on which the subsidy will be given has not yet been announced. Tramp services will receive about $1,300,000 in the same period and an undecided further amount will go toward establishing new routes in distant waters. Funds for the protection, regulation, and training of seamen are also included.

During the first year of this program, construction is to be started on two new 26,000-ton passenger liners, 200,000 tons of 20-knot shipping (mainly big motor-freighters for inter-continent service) and 200,000 tons of 17-knot freighters. This program will cost about $8,500,000, of which the Government will provide 20 per cent in a direct subsidy.

Ship operators in 1936 received total subsidies of 9,682,000 yen (approximately $3,250,000). Of this amount, 720,000 yen was a mail subvention. The operating subsidy is given on the basis of a fixed sum per 1,000 ton-miles. That is, a 10,000-ton ship on a 2,000-mile voyage would receive 20,000 units of the subsidy. This basic figure varies from year to year and according to the service to which it is applied. The mail subsidy, on the other hand, is not the important item of revenue for Japanese ships that it is for American ships and is granted strictly in accordance with the number of voyages made. It is noteworthy that the North American services receive slightly more than half the total operating subsidies.

In addition to this system of Government assistance, it is undeniable that Japan is well fitted to be a maritime nation because of its peculiar insular position. The dearth of land area, the lack of natural resources, and the rise of the nation's manufacturing centers have had the same effect in Japan as in England. Basically, therefore, Japan's position as a shipping power is well founded.

One or two unexpected weaknesses appear, however. Nippon has an inordinately high percentage of old ships in operation. This is partly due to the subsidy plan. To take advantage of the scrap-and-build

system, Japanese ship owners bought old bottoms abroad, registered them as their own, and brought them to Japan to be turned in on new ships. Presently they found that the vessels, undermanned and without repairs of any sort, could be operated at a profit where other nations had failed. Consequently, the scrapping was put off for a few years and the Japanese fleet became well padded with shipping long overdue at the breaking-up yards. Today, 16.2% of Japan's ships are more than 20 years old.

The importation of over-age foreign bottoms has now been banned, but operators are still able to register their ships in other countries and run them with Japanese crews. Such a vessel, flying the Chinese flag, recently appeared in San Francisco and attracted notice as being the first time the ensign had been seen in that port. The irony of the Nipponese crew was not overlooked.

Competition

Japanese shipping is not invulnerable to competition, as for several years foreign interests seemed to think. The most striking proof of this is in the recent rate war between the Nipponese lines, operating to the Netherland Indies, and the Java-China-Japan Line, a Dutch firm with headquarters in Batavia. The conflict lasted for slightly more than a year and resulted in a humiliating defeat for Japan.

During the rate war the Japanese frequently complained to their Government that they were being discriminated against. The Netherland Indies customs service, for one thing, was much stricter in its examination of Japanese goods than seemed necessary to the shippers, particularly if the cargo came in Japanese bottoms. To make it worse, Osaka traders, traditionally parsimonious, usually put profits before patriotism and patronized the cut-rate Dutch line. A year of this brought to both parties the realization that, no matter who was winning the rate war, both lines were headed for bankruptcy. The conferences, long deadlocked, were revived in a more conciliatory spirit and on June 10 an agreement was signed.

A second vulnerable point of Japanese shipping is in the action of foreign countries in clamping down on imports from Nippon. The most obvious example of this at the moment is the trade war between Japan and Australia, which started in June when Canberra suddenly raised the tariff on cheap textiles, to be followed by a Japanese boycott of Australian wheat and wool. Overnight, the steamship lines' expansion plans in the Antipodes encountered serious difficulties which have not been cleared up yet.

Such sudden and unexpected shortcomings are often severe tests of the soundness of any business structure, and there is some comfort in the fact that the entire system is not affected. At the same time, other facets of the industry constantly are being revealed. One that came to light recently is good proof of the advance made by Japanese shipbuilding, at least. A tanker owned by the Standard Oil Company of New Jersey was brought into Yokohama in January. The center section, which contains the big tanks in which the petroleum is carried, was badly corroded, although the bow and stern were still in good condition. This phenomenon is well known and results from the corrosive effect of the oil. In a Japanese drydock the ship was cut into three parts, and the corroded mid-section scrapped. In another yard a new amidships was built. The three pieces, like the segments of a snake, were then joined together and a new tanker, practically new, resulted.

Europe's Boom in Armaments

Sales skyrocket as the nations prepare. Who will make the money?

BY LORD STRABOLGI

THE armaments boom goes on in Europe. The leading international armament-making firms — Vickers-Armstrong in Britain, Schneider-Creusot in France, Krupp in Germany, Skoda in Czechoslovakia, Ansaldo in Italy — are all doing well. They are supplying their own governments, and any spare capacity of production is occupied in providing munitions at good prices to such countries as Portugal, Rumania, Yugoslavia, Switzerland, and the Scandinavian states, which have no armament-making industry of their own.

There has been great speculation on the London Stock Exchange in the shares of all companies concerned in warship construction and in the manufacture of aeroplanes and engines, armor plate and cannon. During 1936 the capital value of what are described as armament shares increased by $190,000,000. With all this has come a rising agitation for Government control, or even nationalization, of the armaments industry.

The Congressional inquiry in the United States has been echoed by the appointment of a Royal Commission in Britain which has been taking evidence on this vast and complicated subject and whose report is now before the British Cabinet. In France, the Government of Premier Leon Blum, aided by a scandal in the supply of faulty naval munitions by one of the great private firms, has already acted in the direction of taking over control of the armament-making departments of all the great engineering firms on French soil. In Germany, the Nazi Government, faced with the desire for an unprecedented expansion of armaments since abrogation of the disarmament clause of the Versailles Treaty, has had to take virtual control of all private manufacture. Although private factories have been continued and expanded, Krupp and the other great arms-makers in Germany are now as closely regulated as if that country were engaged in warfare, and their profits are limited. In Russia, armaments expansion is tremendous and is being effected almost entirely through State factories. Licenses and patents have been acquired from foreign countries for the expansion of the Russian air force. Thus, a stiff sum, stated to be over half a million dollars, was paid for the patents, drawings, designs, and technical assistance for making the Hispano-Suiza aeroplane engine in factories on Soviet territory. While the Russians have drawn on outside technical experience, notably from Germany, the actual work has been done in the State factories. Italy has utilized methods similar to those employed by Germany for arms control, driven by the need for munitions, not only for the Italian armament expansion, but for the Italo-Abyssinian war.

In Britain, the attempt has been made to carry on business as usual and to rely on private enterprise for what is needed, subject only to an attempted regulation of prices. Prime Minister Baldwin, speaking in the House of Commons on May 22, 1935, stated:

"I am certainly determined, and the whole Government are determined, that, in the efforts which we regard as necessary for the nation for the next two years, there shall be no profiteering at a time that I might almost call a time of national emergency."

Authenticated

AERIAL DACHSHUND: Great Britain presents one of the largest bombers in the world. A twin-engined plane, it is equipped to sustain an enormous load and is also adaptable to the transport of a large number of fully armed troops.

A year later the British armament program was so far in arrears that a special minister, Sir Thomas Inskip, was invited to fill a new and special post—Minister for Coordination of the Defense Services. Unhappily, from the viewpoint of those interested in national defense in Britain, Sir Thomas was called upon to fill a twofold role. He had to coordinate the strategical planning and preparations for war of three separate ministries: the Admiralty, the War Office, and the Air Ministry. At the same time, he was asked to exercise general supervision over the supply of armaments and munitions. The two tasks were distinct in any case, and too much for one man, particularly because he was given no adequate staff, and there is a rising demand in Britain today for the appointment of a Minister of Supply analogous to the Minister of Munitions found necessary during the Great War when the supply of ammunition and shells through the existing private firms broke down. This would be a half-way step toward full Government control, or even nationalization, of the armaments industry, and it is based on two considerations which are profoundly affecting public opinion in Britain, France, and other countries.

Case for Nationalization

The first is the belief that the private armaments industry exercises an influence against international agreements for the reduction or limitation of armaments, and for this purpose helps to foment war scares and international hostilities. A second consideration is that in time of emergency, either in peace, as at present, or in war, when there is a sudden extra demand for output, the system of private manufacture breaks down.

With regard to the first consideration, one of the classic examples is the activity for many years of the Comité des Forges, the great cartel of the French heavy industries. The committee with its immense

wealth and its relations with the great banks, including the Banque de France, has subsidized newspapers and even, it is stated, politicians; it has established close relations with other great armament-making rings or firms, such as Krupp's; and it has generally exercised a baleful influence. This influence persisted until 1936 when legislation in the French Chamber established the overriding authority of the Executive Government of the Republic.

Many other examples of the alleged influence of the armament-making firms have been cited before the American and the British committees of inquiry. To say that the armament firms foment war is to do them an injustice; but that some of them at various times have helped to foment the *fear* of war so as to influence governments in placing orders is undoubted. The usual method is to draw attention to the alleged increase in armament programs of potential enemies. One of the classic British examples was that of H. H. Mulliner, Managing Director of the Coventry Ordnance Company before the Great War. In 1906 this gentleman alleged that he had secret information about a vast increase in the German warship-building program. With this information he impressed the Admiralty, certain newspapers, members of both Houses of Parliament, and even members of the Cabinet. The "Mulliner campaign", as it has been called, began in 1906, and by 1908 had assumed great political and public importance. The original British Naval Estimates for 1908 provided for the laying down of four super-dreadnought battleships. The Mulliner campaign led to such a panic that the Liberal Cabinet of the day was frightened into doubling the program. It was subsequently proved that the German Navy Office had not exceeded its published program and that no secret shipbuilding was being undertaken. Nevertheless, the armaments and shipbuilding firms concerned profited from the increased naval shipbuilding program in Britain, the German Navy office was able to extract larger credits from the Reich for their own *future* shipbuilding program—to the benefit of the German armament-makers—and, in the process, international relations between the two countries were embittered. The beginning of the Anglo-German suspicion and enmity which culminated in the Great War of 1914 fairly may be stated to have begun during the years 1906 to 1908.

With regard to the argument that private enterprise breaks down in an emergency, British experiences in the Great War are well known. The Ministry of Munitions had to be established—against great opposition from all the vested interests and against the prejudice of the War Office—before an adequate supply of ammunition and artillery at reasonable prices was forthcoming for the campaigns.

Private Enterprise

On the other hand, much has been said in behalf of private enterprise in the manufacture of munitions. The principal argument, especially as explained to the Royal Commission in London by Sir Maurice Hankey, secretary of the Committee of Imperial Defense and secretary to the Cabinet, holds that munitions plants in peace time would prove too heavy a burden on the State. Private manufacturers, it is held, are more flexible in their organizations; they can expand as the occasion demands. Also, they may engage in civil work or in the export of munitions during slack periods and so spread their overhead costs.

During the last two years, a great demand has arisen in Britain for war-plane engines, owing to the rapid expansion of the Air Force. Five well-known British firms have become, in recent years, the officially recognized suppliers of such engines, and the Air Ministry, in effect, have undertaken to confine their orders to these firms, so that in normal times they will be kept sufficiently busy to justify retention of the large plant necessary for the fulfillment of emergency requirements. This, at least, is the theory. Other firms, notably the Morris Motor Company and the Alvis Motor Company, in an endeavor to enter the field, have been discouraged by the Air Ministry

and refused contracts on the understandable plea that those firms which, in the lean years, had kept their plant going, should now reap the benefit, and that it would be unfair to these established firms if, when the demand died down, there was a redundancy of manufacturing plants because of new companies.

The answer from Lord Nuffield and his colleagues, newcomers in the aeroplane engine industry, was that the existing firms could not meet the demand, and that there was a national emergency. Certainly the program is behindhand and this is admitted. The Air Ministry, however, announced a scheme by which seven existing automobile manufacturers would be aided with State funds to establish "shadow" factories, ready to produce different parts of aeroplane engines, which would later be assembled. In case of war the "shadow" factories would begin activity and the output would be assured.

The scheme has been criticized on technical and military grounds, the latter criticism holding that if one of the factories in the series is put out of action—by air attack, for example—the whole scheme would break down, whereas if there were seven self-contained factories for building complete engines, damage to one would not result in destruction of the whole program. There the matter rests for the present.

Let it be noted, however, that the existence of a limited number of recognized firms supplying a particular kind of armament is almost an invitation to the formation of a price ring. In actual fact the established aeroplane engine makers deny the existence of any ring, as do the Air Ministry. It may well be that the ring does not exist, although there is, admittedly, a virtual monopoly. Nevertheless, while the same quasi-monopoly system is applied to armor plate, torpedo equipment, shell fuses, submarine mines, gas masks or any other war equipment, sooner or later there will be the scandal of the price ring. Hence the demand that there should be public control in Britain, in some form or another, of all munition manufacturers, so as to prevent profiteering on the one hand, and on the other, competition between the armament-making firms, in times of crisis, for skilled workers and essential raw materials.

It is noteworthy that in the recent aeroplane engine controversy the Air Ministry let it be known that they would prefer to place orders for large quantities of engines in the United States rather than increase the productive capacity in Britain to such an extent that there would be redundancy when the air program had been fulfilled, or after any agreement had been reached among the nations of Europe for Armaments limitation. In other words, American manufacturers were to be invited to make transient profits by supplying the present needs of the British Air Force, to expand their plant for this purpose, and then to be left "holding the baby" when the slump came.

It has become a foremost plank of the program of the Labor Party in Britain to nationalize the munitions industries. It would not be surprising if the present National Government in Britain, which is predominantly Conservative, forestalled this program partly in order to be able to carry it through in such a way as to be least *harmful to the private munitions-makers*. For the larger of these firms are an important part of the heavy industry of the country and are very powerful in banking and political circles.

The man-in-the-street in all European countries responds readily to the cry of "take the profits out of war." But the existence of vested wealth arising from these profits makes the task of the would-be reformers a hard one.

PACIFIC STEPPING STONES: The present route runs via the Hawaiian Islands, Midway, Wake, and Guam islands. The prospective southern route shows the strategic importance of Howland, Baker, and Jarvis islands.

OUR NEW ISLANDS

Three new American possessions, small but of future importance

BY WILLIAM ATHERTON DU PUY

THE United States has consolidated its twentieth century venture in land acquisition and colonization. It has come into possession of three new far away Pacific islands, raised the Stars and Stripes over them, settled American citizens upon them, fitted them into the mosaic of its governmental pattern, and assigned them to stand by against the probability of a very dramatic future usefulness.

Jarvis, Howland, and Baker are the names of these islands and they sit on the equator very near the center of the Pacific Ocean which covers the part of the world where land is scarcest. Tiny islands they are, to be sure, but they lift their sandy backs above the blue waters in that vast expanse in which, but for them, waves would search almost fruitlessly for a beach to touch in the 3,000 lonesome miles between America's Hawaiian outpost and the Antipodes, where it is summer in January.

The surprise of it is that here, in the midst of the twentieth century, islands should be found right out in the bright sunlight where all can see, in smooth tropical waters constantly traversed by the ships of all nations, set down on everybody's charts, and that nobody should come along to claim them. The marvel also is that the colonization of new and uninhabited lands, favorite adventure of the seventeenth century and a game regarded as played out long ago, should at this time turn up like a snuffbox from the court of Elizabeth.

It was, in fact, aviation, that madcap activity of the twentieth century, that inspired this venture in colonization in which, when one comes to examine it, he finds little to resemble its predecessors. It came to pass in 1935 that airplanes had set themselves to conquer those water stretches of the Pacific which cover one third of the globe. Hawaii, Midway, and Wake made the flight to China possible. Tiny, uninhabited Wake, pushed up by the coral polyps half-way on the 3,000-mile flight from Midway to Guam, assumed a vital importance. An American transport, carrying troops to the Philippines at the time we were in the business of suppressing insurrections over there, had paused long enough to set up the flag of ownership.

Because of Wake, the Bureau of Air Commerce, which is in the Department of Commerce, got out the map of the Pacific and began to study it. Hawaii, obviously, was and always would be in command of the air lanes of this section of the world. It shortened the distance across by 2,000 miles. If the big ocean were to be conquered, the first stop would be Hawaii and then lines would open out fanlike to French Polynesia, farther east, New Zealand, Australia, Dutch East Indies, the Philippines, China, Japan. Were there other Wakes along the way which might be useful?

Scouting for Islands

The Bureau of Air Commerce sent an air scout, William T. Miller, to Hawaii, and he went cruising about the Pacific examining every rock or sandspit that pointed in the right direction. He examined Palmyra, a verdant, rain-drenched atoll a thousand miles south. It had possibilities —a good lagoon, though filled with coral heads. It is likely to be important to Pacific

aviation some day. Nearby is Kingman Reef, with an even better lagoon, but only a strip of sand 120 feet long and 80 feet wide for buildings. These are a bit too close to Honolulu for a first stop, but why worry about them since they are already American, appendages to the Territory of Hawaii? Miller was interested in the bigger sweep to the south and east.

He visited solitary, uninhabited Jarvis, 1,400 miles due south of Honolulu, very near the point where the 160th meridian crosses the equator. This, according to the Government's official map, is the exact center of the Pacific. He found an island five miles long and a mile or two wide, rising 20 feet above the sea, covered with but thin and scrubby vegetation. The hulk of the steamer Amaranth, wrecked here in 1913, lay on the beach. The island was overrun by rats, probably descendants of those that were aboard the wrecked ship. The place teemed with bird life. Innumerable great hermit crabs stalked solemnly about. Otherwise, there was complete desolation.

Jarvis, the record indicated, had been first reported by one Captain Michael Baker, an American, in the year 1835. It had been occupied and worked by the American Guano Company for a decade or two about the middle of the century. It had been visited by the Navy's *St. Mary* in 1857, which had made the formal claim of ownership, and by Lieutenant Commander Samuel Wilder King, U. S. N., now Delegate to Congress from Hawaii, in 1924.

But there was a counter claim. The British assert that a certain Captain Brown, of the *Eliza Francis*, visited the island in 1821 and therefore was the discoverer. They claim also that English guano gatherers had occupied it at various times.

Explorer Miller sailed west from Jarvis about 1,000 miles to the islands of Baker and Howland, a little north of the equator, and a little this side of the 180th meridian, which is the international date line. The two islands are 65 miles apart. Baker is a mile long and three fourths of a mile wide while Howland is two miles long and a mile wide. Michael Baker seems to have found Baker in 1832 while a Captain George E. Necker, out of New Bedford, discovered Howland in 1842. They also have been occupied and worked by the American Guano Company. And the British also lay claim to them.

The important facts are that Jarvis is on the direct route from Honolulu to New Zealand by way of American Samoa, and that the two islands break the journey up into hops of some fourteen hundred or fifteen hundred miles which is just about right. Under circumstances that would permit its use, its location is excellent. Howland and Baker, farther west, are in a direct line between Honolulu and Brisbane, or Sydney, Australia, with a second stop at Fiji or the New Hebrides. There are no other islands that even approach the convenience of location of these three in making these journeys.

Orphans of the Sea

The Bureau of Air Commerce consulted the State Department. It was told that the islands belonged to the United States, although it was admitted there might be an English view in contradiction to this. The islands, however, were much in the position of having been abandoned by whomever may have claimed ownership to them in the past. They were orphans deserted by their erstwhile and occasional foster parents. There was one way in which undisputed authority over them could be established. They could be acquired by colonization. Whatever nation planted its citizens on the islands would thus gain undisputed possession.

Upon this estimate of the situation, the Bureau of Air Commerce acted. It would settle Jarvis, Howland, and Baker. It would plant colonies of American citizens on them. It would turn back the clock and acquire new and far-away lands by the methods used by those European nations which added so handsomely to their domains and wealth in the century that followed the discovery of the new world.

Pan Pacific

LONELY OUTPOST: Harry L. Theiss, an American citizen, places the tablet notifying the world that Howland Island, an orphan of the Pacific, is now the property of the United States. (Mar. 30, 1935.)

Finding Colonists

Modern methods applied to this old game of colonization caused it to take a form that would hardly be recognized by John Smith or Miles Standish or Peter Stuyvesant. In the first place, there was a mid-Pacific setting requiring specialized consideration. What sort of colonists would fit most effectively into life on these tiny coral islands sitting on the equator? The answer came: obviously those American citizens living in Hawaii who were of Polynesian blood and whose ancestors for thousands of years had had their being in this very environment. Native Hawaiians had been under American influences for a hundred years, had learned all the secrets of the white man's manner of life, were schooled in his educational institutions. Many of them were playing important roles in the administration of his mid-Pacific territory. They were stalwart people, these Hawaiians. So personally attractive were they, so genial in disposition, so clever in politics, that they had come to be called "the Irish of the Pacific." But they remained children of the great ocean, almost as much at home in it as the tarpon playing along its waves. Going back to these new-found islands would be to them like the return of the park buffalo to his native grassy prairies.

An investigation revealed the fact that, in Honolulu, there was an industrial school set up for the training of youth of Polynesian blood. An Hawaiian princess of great wealth had endowed it. She had been married to an American who had prospered in the islands. It was called Kamehameha School after the great king who had brought all the islands under one rule.

Colonists were selected from the young men of this school who had good records and mechanical training; who were physically fit and showed a flair for this odd twentieth century pioneering. Four youngsters were to be taken to each of the islands, camps were to be established and provisioned. At regular intervals, these settlements were to be revisited. Replacements of personnel were to be made if some colonists wanted to go home. The islands were to be occupied indefinitely by these Hawaiian-born native Americans of South Sea lineage.

The Coast Guard cutter *Itasca* is stationed at Honolulu and its mission is to perform whatever chores thereabouts that may be in the interest of the Federal Government. It was called upon to transport the colonists, together with the supplies necessary for their maintenance, to the separate islands. This it did and the islands were ceremoniously repossessed. Lead plaques, impervious to the elements and bearing the name of an American citizen, were set up asserting ownership. That on Howland for example, read as follows:

Howland Island, Latitude 0° 49′ North, Longitude 176° 43′ West. This Island Is Colonized This 30th Day of March 1935 by American Citizens in the Name of the United States of America. No Trespassing Allowed. Harry L. Theiss.

The colonization was accomplished secretly. The three groups of American citizens had been residing on their respective islands, revisited occasionally by the *Itasca*, for eight months before the outside world knew anything about it. The authorities wanted to be sure that their venture was an accomplished fact before other nations that might be interested knew what was going on. It was not until October, eight months later, that the story of it leaked out.

Something of an international stir was created. Here were islands that any interested nation might have appropriated and the United States had stolen a march on them all. Britain, in particular, refused to admit America's title. Word came from Japan that great chagrin was felt because of the possible strategic value that the islands might have developed. But it was too late for any protest. America had acted and there seemed no flaw in her title.

Action Without Precedent

This planting of colonies by representatives of the Department of Commerce was a bit unusual in Government administra-

tion. As a matter of fact, the whole proceeding was quite without precedent. The War Department had, upon occasion, administered various acquisitions, as had the Navy Department, which now sits in Samoa and Guam, in these same South Seas. The Department of Commerce, however, had never before been in the business of administering non-contiguous areas.

About this time Congress created the division of territories and placed it in the Department of the Interior which all along had looked after affairs in such communities as Alaska and Hawaii. Puerto Rico was transferred to it from the War Department and the Virgin Islands from the Navy Department.

By executive order 7368, issued on May 13, 1936, the President transferred Jarvis, Baker, and Howland to the Department of the Interior. Thus the islands found a permanent home and an authority whose business it was to look after them. Meanwhile, Congress had made a modest appropriation to be used for their maintenance and development. They were given $35,000 for the current fiscal year.

Had Japan, Great Britain, or any other nation anxious to possess these aviation islands, been watching with sufficient vigilance, it would have found an opportunity for action in that hiatus between May 13, when the islands passed out from under the wing of Commerce, and July 1, when the Interior appropriation became available. There was a time during that period when Jarvis, Howland, and Baker were unoccupied. If a rival had been on hand to jump America's claim, he might have succeeded.

As soon as the Interior Department got its money, however, it took action. New groups of youngsters with a yen for pioneering were recruited. Again they were of Polynesian blood and from Kamehameha School. The *Itasca* was summoned and hurried them to the front. Fortunately they found the islands asleep in the vastness of their solitude, undisturbed by trespassers. These settlers are upon them today, probably the most isolated small groups of human beings in all the world.

Jarvis, to be sure, has as neighbor one Paul Emanuel Rougier, French flier of the World War, with a hundred Tahitians, on a coconut plantation on Christmas Island, 300 miles away, and there is an English cable station on Fanning Island, a little farther along. But Baker and Howland are more isolated since it is about a thousand miles south to Samoa and an equal distance west to the point where Japan holds its mandate over the Marshall Islands.

The division of territories has proceeded to establish a regular government for these three islands with their population of twelve people. It sent a representative, Mr. Richard B. Black, to Honolulu where he established an office in the capitol building there which boasts a throne room in which monarchs once sat in state. It is probable that the islands eventually will make a part of the Territory of Hawaii.

Administration Problems

One might think that there would be few problems facing the administration of these small islands, but this is not necessarily true. In the first place, there is the matter of supplies which must be kept going out. Water is a prime requisite. To be sure, the colonists catch some fresh water as runoff from their tents when it rains, but not enough is yet known of rainfall in this area to make it dependable. So until the facts are better known, great drums of fresh water will be shipped from Honolulu.

A year and a half of observation indicates that this mid-Pacific is not an area of severe storms. The tents of the first settlers were flattened but once in the first twelve months of occupation and no great blow is required to accomplish this. But, fortunately, the constant winds are too strong for mosquitoes and so this pest of many solitudes is lacking. Here in mid-ocean, also, despite the fact that the equator is nearby, the weather is not oppressively hot.

Up in Honolulu, Mr. Black had the timbers prefabricated for a comfortable cottage on each island. Public Works Architect Harry K. Stewart, another good Polynesian, tucked plans under his arm and went

down to the islands where, under his supervision, the colonists erected their own domiciles.

Radio communication with the outside world must be established, so Mr. Black borrowed from the Navy a combination sending and receiving outfit, employed two radio men, this time of Chinese extraction, and sent them down to Jarvis to set it up. Thus was another of the bars of distance eliminated.

The islands are almost bare of vegetation, possibly because seeds have never reached them, but more probably because the rat and bird life has overwhelmed it. Recent groups of colonists have taken favorite hardy plants of the tropics with them—ironwood trees, mangoes, bread-fruit, cashew nuts, coconut palms, sea grapes, Hawaiian oranges, passion fruit. Whatever the problem of establishing vegetation turns out to be, it is to be overcome and the islands are to be converted into zones of tropical beauty and productiveness. Midway, it is recalled, has been converted into a tropical garden and Christmas Island into a splendid coconut plantation, so there should be possibilities here.

Each settler on the islands operates a string of traps for the elimination of the rat menace, and there is much rivalry as to rat-catching records. There is hesitation in the use of poison because birds also might be killed by it. However, there is a solution to every problem, and over on Wake where the airplanes land it was found that so-called red quill powder would kill rats and spare both birds and hermit crabs. This is a slow poison that is regurgitated by all animals but rats, which seem to have no reverse in their swallowing machinery and which keep the poison down and eventually perish.

Value of the Islands

Now that the islands are permanently colonized and have been fitted into a definite scheme of operation, the Government is taking stock of their actual and prospective value. It is glad it has acquired them, in the first place, because it would have been unpleasant for another nation to have done so. It would not have been a happy arrangement, for example, if Japan had acquired them with the possibility of their use for military purposes.

The aviation value of the islands is speculative but almost immediate. Pan American Airways has contracted to fly to New Zealand, connecting at Auckland with the British Imperial Airways and thus establishing what promises soon to develop into a second aerial route around the world. Pan American uses seaplanes, and these islands, having no lagoons, would not make satisfactory bases for it. They would be valuable to it, however, as a source from which to receive weather reports, as a beacon station, and as landing places in case of emergency.

At any rate, the consensus seems to be that, eventually, the oceans will be flown by land planes. The Aeronautical Chamber of Commerce and the Bureau of Air Commerce tend to that view. Land planes would be lighter, faster, more economical. And if it should become necessary for one of them to alight on the water, it could do so, keep afloat, and call for help. If and when land planes come into use, Jarvis, Howland, and Baker will be ideal stations in a part of the immense Pacific where they are most needed. Their hard sand needs only to be worked over a bit with a grading machine to convert it into immediately usable fields, and this is in prospect.

So when the world-girdling which is in immediate prospect becomes a reality, it well may happen that all those who go around by way of the Antipodes through the decades to come will stop at one of these American islands which but yesterday was an ownerless waif in the most lonesome water stretches in all the world.

UNEMPLOYMENT INSURANCE

The worker pays. And the question is, will he ultimately get what he pays for?

BY A. A. IMBERMAN

UNEMPLOYMENT insurance may be described as a social mechanism by means of which unemployed workers may receive for a limited period some small sums in lieu of wages to help sustain them and their families while they are seeking work. The receipt of ordinary unemployment benefits requires no proof of destitution or need, does not depend upon any arbitrary definition of eligibility by some charitable agency, and carries no stigma of gratuitous relief grants. Practically every major European country has some unemployment insurance provisions for the unemployed who are able and willing to work and for whom desire and skill are no longer guarantees of reemployment.

In the last four years we have been obliged to revise our conceptions of the fruits of the American economic system, and the costs of relief have convinced us that foreign nations with their carefully drawn plans of unemployment insurance have not been altogether foolish in providing some permanent social mechanism for the economic salvation of those who had groped and toiled and mined and spun. Relief appropriations partially tell the story of our own indifference; the degradation of millions of workers whose fruitless labor has resulted in the tragic brevity of a relief budget cannot be summed in any figures.

However, in attempting to rectify our past indifference to such legislation, we have. at one legislative sweep, enacted a gigantic omnibus bill, entitled "Social Security Act." Out of the immense confusion surrounding the drafting and passage of the Social Security Act came the finished product, purporting to be the quintessence of scholarly research, the *dernier cri* in intelligent social theory and practice, and the fruit of a new and enlightened social conscience. But whatever the specious claims for the act may be, examination will indicate that the entire law is basically a failure.

The case against the unemployment insurance plan of the Social Security Act can be summarized as follows: the plan is based on a philosophy of social insurance that is at variance with all the claims made for it; it undermines the basic financial necessity of national uniformity of taxation; it omits any designation of financial standards essential for the solvency of the state unemployment insurance funds; and it prevents rather than stimulates the intelligent growth of unemployment insurance in this country.

The Workers' Burden

The social philosophy of the Social Security Act may be inferred from the succulent fact that the monies necessary to pay benefits to the unemployed will be raised from income taxes on employees and widespread sales taxes.

In order to raise funds for unemployment insurance, the Federal law levies a tax on the payrolls of eight or more employees; the tax amounting to 1% in 1936, 2% in 1937, and 3% thereafter. Of the 29 State unemployment insurance laws and the District of Columbia law approved at the date of this writing, nine require employee contributions, besides the payroll tax to be paid by the employer. We may infer from this that when all forty-nine laws are in operation about twelve will levy income taxes on employees; all of them, however, must provide for payroll taxes.

A tax on payrolls is, in the last analysis and in almost every industry, a sales tax. Since all employers will have to meet a 3% payroll tax, every employer can add his tax on to the price of the manufactured article without disturbing his competitive position. In those industries in which payroll taxes cannot be handed on very easily to the consumer—e.g., the service and transportation industries—they will probably be taken out of the wages of the employees, notwithstanding the fact that the law explicitly forbids the employer to deduct the payroll tax from his employees' wages. In either case the employee will pay the major part of such taxation. This however, is not said in disparagement of employers; in a competitive industrial society they have very little choice about such matters. If payroll taxes are levied they become part of the cost of production, or cost of supplying the service which the employer's company provides. It is useless to imagine that the employer will deduct the payroll taxes from his profits, since the taxes must be paid before any profits are evident—in fact they must be paid regardless of whether or not, in the final summation, the employer derives any profit or not.

The States which levy income taxes on employees' wages do nothing more than emphasize the ironic fact that the employee as a consumer and as wage earner will bear the greatest part of the financial burden of the unemployment insurance system. With this slight outline of the financial provisions of the unemployment insurance plan, it is evident that the first fruits of such a taxing system will be higher prices, lower wages, and of course, less purchasing power for the employee.

Interstate Competition

The one argument which had prevented the enactment of unemployment insurance acts by the individual States prior to the passage of the Federal law dealt with the fact that manufacturers in any particular State which attempted to enact such legislation protested that they would have to add the payroll tax to the price of their products. As a result, they would be unable to meet the competition of manufacturers in other States who had no unemployment insurance law and therefore no such payroll tax. It was this argument of interstate competition which the Social Security Act was primarily designed to meet in the matter of unemployment insurance. The Federal law did not erect a national unemployment insurance system; it merely levied a uniform tax on the payrolls of employers of eight or more persons in all States.

In order to induce States to enact state unemployment insurance laws, a tax credit mechanism is incorporated in the Federal law. If a State enacts an approved unemployment insurance law, then the employers of the State may deduct up to 90% of their Federal tax, and such deducted monies can be used for unemployment benefits in the State. If, on the other hand, a State does not enact an unemployment insurance law, then the receipts of the Federal payroll tax are collected as general revenue by the Federal treasury, and no part of such revenue reverts to the State to be used for unemployment benefits. The entire matter appears to be simple and straightforward: the entire payroll tax is 3%, of which the Federal Government will finally receive .3 of 1%, and the state government 2.7%. Since all employers subject to the act must finally pay a 3% payroll tax, it would seem that national uniformity of payroll taxation has been achieved.

However, closer analysis will indicate that on the all-important principle of national tax uniformity the law is a failure. The unemployment insurance sections of the Social Security Act are so constructed that by 1941 through merit-rating provisions it is possible for many employers to pay less than a 3% payroll tax, and it is possible for some to pay a total payroll tax as low as .3 of 1%.

Of the 30 unemployment insurance laws approved to date, 19 States and the District of Columbia have written into their laws some formulae for merit-rating. The concept of merit-rating is found in workmen's

compensation laws: a company having a low accident rate receives a low insurance rate. Analogously, in unemployment insurance, a company having a low labor discharge rate receives a merit-rating from its State system after a few years, thereby permitting it to contribute a lower payroll tax than most other companies in the State.

Merit-rating, however, is not only administratively impossible in the field of unemployment insurance, but is entirely foreign to the theory of social insurance. Notwithstanding these facts, the Federal law takes cognizance of such merit-rating reductions, and permits the employer who has been granted such rating to deduct his merit-rating from his Federal tax as if he had paid the full 2.7% to the State system. Some States will permit employers to reduce their State payroll tax to 1% by means of merit-rating—Arizona, California, Colorado, Indiana, Louisiana, New Mexico, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Texas, and West Virginia. Fortunate employers receiving such reductions will merely have to pay .3 of 1% above that to the Federal Government, their entire payroll tax thereby being 1.3%. Other States—Connecticut, Idaho, Utah, and Wisconsin—are permitting the employers to reduce their State tax to zero, and such fortunate employers will merely have to pay .3 of 1% to the Federal Government as their total payroll tax.

Suppose a steel manufacturer in Alabama in 1941 is permitted a reduction of his State payroll tax down to 1.5%, thereby rendering his entire payroll tax for unemployment insurance at 1.8% (1.5% to the State and .3 of 1% to the Federal Government). How loud will be the cries of steel manufacturers from Maine to Florida and from Maryland to California, demanding that their own State legislatures permit them similar reductions in order to protect them from the ruinous competition of Alabama steel products. Since the cry of interstate competition has had such great force with State legislatures these many years, and since most State legislators are business men themselves, is it not logical that these other States will permit their own steel manufacturers similar reductions?

It is not entirely true, however, that all such merit-rating will be achieved by political pressure. Most States leave the determination of merit rating to commissions which will study the problem and report regularly to the legislature; but even if some industrial firms are awarded such ratings on the basis of good employment experience, nevertheless the granting of merit-rating in one State, on whatever basis, cannot but result in the demand for similar merit-rating for similar industrial firms in other States on the grounds of interstate competition, if nothing else. In the light of some experience with State legislatures, it is not unreasonable to believe that merit-ratings will be awarded to companies if only on the grounds that some other State has given some competing company merit-rating.

Multiply such instances by as many companies as will either earn merit-ratings or wheedle merit-ratings from their respective State legislatures, and then consider the national chaos which will result as far as funds for unemployment benefits are concerned. The only manner in which merit-ratings might be effectively administered in any industrial country is on a national basis with rate differentiations awarded to entire industries regardless of State lines—and even then it is questionable whether it is administratively possible. As the law stands now however, such national action is impossible.

No Federal Backing

The unemployment insurance provisions of the Federal act are based on one financial assumption: every State system will have a self-sustaining, solvent fund, with disbursements less than, or equal to, income from payroll taxes and possibly, wage taxes.

By assuming that a State can set up a self-sustaining unemployment insurance fund without any regular governmental subsidy it is believed that the State governments can remove current purchasing power without ill effect and collectively pile up

tremendous surpluses of billions of dollars in boom years in order to meet the great demand for benefits in periods of depression. Without some such equalizing mechanism, it would be impossible to maintain the solvency of the State funds during depressions, when the funds are needed most.

The Federal act, however, does not lay down any financial standards with which the States must comply in order to safeguard the solvency of their funds. As a result, there is great danger that State legislatures—knowing little of the financial details of unemployment insurance—might enact laws promising liberal unemployment benefits which the State funds could not afford.

Questions of Solvency

The solvency of a self-sustaining unemployment insurance fund—i.e., without annual governmental subsidies—depends on the amount of contributions to the fund, the initial waiting period before unemployment benefits are paid, the amount of benefits, and the maximum duration of benefits. In a memorandum published by the Social Security Board entitled *Actuarial Factors in State Unemployment Compensation Plans*, there are presented computations which may be used by the States as guides in setting up the funds and safeguarding their solvency through a major depression. These computations are based on: (1) various surveys and samples of the extent and duration of unemployment throughout the United States; (2) "a hypothetical pooled fund" without any merit-rating, employer reserve, or any other such fund-depleting features, and (3) a rate of contribution referring to a tax levied on the entire payroll without any wage exclusions.

If these computations are of any value and if foreign unemployment insurance experience is any guide, the following will be discovered: five State unemployment insurance funds—California, Connecticut, Idaho, Indiana, and Wisconsin—will be insolvent by the next depression. 14 State funds—Arizona, Colorado, Louisiana, Ohio, Oklahoma, New Hampshire, New Jersey, New Mexico, New York, South Carolina, Rhode Island, Tennessee, Texas, and Utah—probably will be insolvent, and 11 State funds—Alabama, District of Columbia, Maine, Maryland, Massachusetts, Mississippi, North Carolina, Pennsylvania, Oregon, Virginia, and West Virginia—will probably remain solvent.

Merit-rating provisions in the laws of California, Connecticut, Idaho, and Indiana permit substantial payroll reductions which will seriously decrease the State funds. With a minor and valueless exception in the Connecticut law, these laws do not require any compensating increase in payroll taxes which might offset the reductions. In addition, the laws of California, Indiana, Idaho, and Wisconsin provide for employer reserve accounts, guaranteed employment accounts, or exempted plans, which will remove a stable source of revenue from the State funds. These States must, therefore, find themselves without adequate funds in a depression because of failure to build a huge pooled fund during the good years.

The probability of insolvency in Arizona, Colorado, Louisiana, Ohio, Oklahoma, New Hampshire, New Jersey, New Mexico, South Carolina, Tennessee, Texas, and Utah is based on one general ground: these State laws provide for substantial payroll reductions through merit-rating but, with the exception of Ohio, the compensating increase is too small to offset the reductions permitted. Moreover, there is no recognition in these laws, including the Ohio law, that the State average of all contributions must reach a fixed minimum, sufficient to lay up surplus funds for benefits in bad times as well as good. The lack of some such provision will eventually lead to insolvency.

The New York and Rhode Island laws offer drawbacks of a more subtle character. Both of these States have a rate of unemployment higher than the national rate. Also, these State laws prescribe certain wage exclusions, which, while commendable on other grounds, will tend to decrease the money available for unemployment benefits. Overlooking these facts, the legislatures

have provided for benefits which the State funds cannot possibly pay except in times of prosperity when unemployment is low.

The probability of solvency in Maine, Maryland, Mississippi, North Carolina, Pennsylvania, and Virginia, is based on the fact that these laws contain no merit-rating formulae, no wage exclusions, and do not provide for employer reserve, exempted plans, or any similar panaceas. They merely provide funds for unemployment benefits.

In calculating the probable solvency of the Alabama, District of Columbia, Oregon, and West Virginia funds, the special assumption is made that a fixed State average of all contributions in each State will be maintained. If some concerns are permitted to reduce their payroll tax to 1.5%, some other concerns in the State must contribute at the rate of 3.9% if a State fund of 2.7% is to be maintained. The solvency of these four funds depends on the strict adherence to the fixed State average provided in each of these laws. Whether any State legislature will raise the payroll tax of individual companies higher than the State average and the national rate, remains to be seen.

The probability of solvency in Massachusetts rests on an entirely novel consideration. This State law contains no merit-rating formulae, but it does provide for exempted plans. Large employers with stabilized employment may "contract out" of the State system. In the long run, this will be detrimental to the fund. But the Massachusetts law provides for a waiting period before benefits are payable which, on a cost basis, is equal to about 8 weeks a year. In that manner, few benefits will be paid out and the fund will probably be conserved.

Possible Changes

If the sample of 30 unemployment insurance acts is at all indicative, we may expect to find somewhere in the next ten years or so, that about 18 of the 49 State funds are solvent, with the remaining 31 hovering on the brink of insolvency, and many of this latter group finally becoming insolvent. The basic assumption in this argument is that there will be no change in the general structure of any State law. To many, such an assumption would be unwarranted. But what are the possible changes?

No State will attempt to raise the general payroll tax higher than the national figure of 2.7% or 3% on the familiar grounds of interstate competition; that leaves two other possible sources of revenue—the employee and the State Government. Some States without employee contributions will require them, and others with such contributions will raise the rates. Probably no State itself will contribute, since most States derive their revenues from taxes on property and sales taxes, and any rise in such taxes would be decidedly unpopular.

An initial levy five years hence to be paid by employees, or a raise in employee contributions, presumably would have to be justified on some popular grounds. The argument that more money must be placed into the State fund in order to safeguard its solvency during some future depression will not be very convincing in prosperous times, when the State funds will be quite large and employers are clamoring for merit-ratings and other payroll tax reductions.

An alternative not requiring new revenue, and the one which most likely will be taken, is the lengthening of the waiting period, the scaling down of the amount of benefits, and the shortening of the duration of benefits. At the last minute, when contributions have fallen because of widespread unemployment and the unemployed eligible for benefits have increased, most States probably will lengthen the waiting period to eight and ten weeks, slash their benefits down to 25% of average wages—instead of 50% as now provided—and increase the maximum duration of benefits to five and six weeks, at a period when it is *most essential* to uphold mass purchasing power.

In all this, there is no provision for money to be transferred from one solvent State fund to another insolvent state fund.

Before it dissolved, the Committee on Economic Security indicated the need for a

"national reinsurance fund"; that is, a national fund which will presumably derive its money from some sort of a levy on each State fund. It would be used to pay into the funds of those States having a rate of unemployment higher than the national average or possibly an insolvent fund. However, a reinsurance fund would need the consent of each State before funds were available, and what State, knowing that its rate of unemployment is less than the national average or that its own fund is apt to be solvent, would consent to have its fund tapped for the benefit of some other State? The notion is completely fantastic, if only in its lack of political realism.

While a reinsurance fund could be set up with Federal money, there is little likelihood of such an occurrence. The Federal Government probably will declare that the matter of insolvency of State funds is a State problem.

The possibility of intelligent growth of any social insurance system, and the probability that new and fruitful ideas engendered by the times could be incorporated in the old system, all depend on the basic simplicity of the legal and economic structure of the law. The present Federal law, when in full bloom, will result in 49 unemployment insurance systems, each functioning in a political, rather than an economic, unit, each developing its own highly complicated notions of taxation, merit-ratings, exempted employment plans, guaranteed employment accounts, employer reserve accounts.

What courageous Congressman will propose any amendments to the Federal law which would entail 49 separate State amendments and which would necessitate basic changes in his own State unemployment insurance system? Once the State laws are placed on the books and the administrative systems set up, vested interests of every sort are virtually certain to arise.

The redrafting of the unemployment insurance sections of the Social Security Act may be necessitated by an adverse court decision, but the desire to enact sound legislation may be a stimulus of equal importance. Since 30 State unemployment insurance acts are already on the statute books, it would be difficult to enact a national unemployment insurance system with one national fund—the soundest solution. The other alternative is a Federal subsidy plan, with the Federal Government taxing payrolls for a small part of the necessary revenue, and granting subsidies to States which enact sound and adequate laws. The States need have no taxing provisions in their State laws but only provisions for the disbursement of funds—e.g., flat benefits, duration of benefits, waiting period, etc. In this manner all the pitfalls of State merit-rating, employer reserves, guaranteed employment, and exempted plans may be avoided, uniform State systems may be established, and a realistic attempt to deal with the problem of economic insecurity can be made.

To the receipts of the small Federal payroll tax, the Federal Government can add a substantial contribution from its own general revenues. And with Federal resources behind the State funds, insolvency is impossible. There is no danger of unlimited Federal grants.

From the brief outline of some of the more important blunders in the Social Security Act, it is fairly evident what the future of unemployment insurance may be. We will have a duplicate taxing structure—Federal and State—with its unnecessary complexities, for the simple collection of payroll taxes; we will have the continuous impoverization of the working classes through sales and income taxes; we will have the constant cries of interstate competition in connection with merit-ratings, employer reserve accounts, guaranteed employment plans, exempted plans, and the calamitous pressure to reduce contributions in each State; we will have the tragic ordeal of employees seeking their unemployment benefits from insolvent and unsubstantial State systems; and finally, we will have a gigantic and expensive administrative organization spread throughout all the States furnishing, as it were, a wall of inertia against all change.

COOPERATION & RESETTLEMENT

Old Utopian ideals, born in Europe, find a new, practical application

BY REXFORD G. TUGWELL

THE cooperative movement in America is rapidly reaching a stage of such potential importance that it will undoubtedly raise considerable controversy before it goes much further. The contrast that it offers to free economic competition, as we in the United States have known it, makes it the likely object of attack by orthodox business men.

To cooperate is defined as meaning "to work together." But a wise person finds the context of the words he wants to understand somewhere outside the dictionary. Cooperation has by now become a movement with principles. Fortunately, the principles have from the first been very simple, and have suffered less, perhaps, from academic elaboration than most economic theories. In spite of Chief Justice Holmes' remark that our Constitution enacted neither Herbert Spencer's social statics nor Adam Smith's free competition, it is perfectly clear that most of our other judges thought otherwise, so that cooperation, if it ever falls into the judges' grist, will doubtless be given as rough treatment as was the mild economic regulation of the New Deal.

One of the reasons that the cooperative movement has been given considerable impetus in recent years is the fact that cooperative ventures have arisen from a common need rather than from a common ideal, and for that reason rest upon firmer foundations. The newer cooperative enterprises have attempted to adhere closely to some vital but simple rules: First, that each member of the cooperative has but one vote; and that this vote be cast in person. Thus voting by proxy and absentee shareholding are eliminated. Second, that profits and savings be turned over to the members of the cooperative in proportion to the amount of business done by each member, rather than to outsiders in proportion to the amount of money invested. And, third, that a fixed interest rate, not dividends, should be paid on money invested, thus eliminating outside financial control.

It is a dogma in the movement that cooperation always begins among consumers. In fact, cooperation to produce is almost unknown as a modern way of organization. One reason for this is that consumer cooperation has one principle which producer cooperation cannot have. This is the principle that anyone can join on equal terms, which seems to rule out many producing organizations that otherwise come close to orthodox cooperation. There is so much confusion over terminology that it almost seems better to save the term "cooperation" for consumer activities and to call producer cooperation something else (although no name for it occurs to me). Because if the workers in an organization become owners also—that is, if the absentee shareholder is eliminated, what is the operation if it is not cooperative? Even though it is inexpedient to admit to the organization anyone who may think he can qualify, it is still true that those who are there do work together and work on an agreed basis of sharing in the yield or product.

If the Government's credit agencies should fall into the hands of certain types of administrators who might be described as "socially minded" producer cooperation also might soon grow to significant size. For instead of financiers, promoters, and stock manipulators having the inside track, as

they do inevitably, with private bankers, there might then be a chance for cooperative groups to get started and to operate successfully. With the wide spread of technical knowledge resulting from our universal education, monopolies of skill and knowledge are everywhere broken down. Only financial overlordship stands in the way of a good deal of this kind of insurgency. At present it is easy for a corporation, hard for an individual, and almost impossible for a cooperative to finance a productive operation.

Nevertheless, despite handicaps, the consumer cooperative movement is growing. This movement is being stimulated to a large extent by the very forces that are opposed to it in principle. If legislatures persist in suppressing chain stores, and Congress sticks to the theory of the Robinson-Patman Act, the result is apt to be a great growth of consumer cooperatives rather than, as was intended, a renaissance of independent retail merchandising. If this should happen, it is likely to become as unpatriotic to produce or consume cooperatively as it has been lately to express sympathy with communism.

Our business men are foresighted about suppressing these movements once they raise their heads, but not, usually, about correcting the conditions which give them a chance. Consumer cooperation never got started in this country simply because it was needed less than elsewhere. The chain stores sold goods of excellent quality at low prices, and consumers liked that kind of treatment after what they had been getting at the musty old corner grocery. You can hear that Americans are too individualistic or too independent to cooperate. That is pure fancy. They will cooperate fast enough rather than go back to the system which the chain stores put out of business.

RA Steps In

At any rate, when the Resettlement Administration began with a mandate to aid low-income farmers, one way which occurred to us as being worth trying was the coöperative way, whether orthodox or not. For we had the power to make loans as well as grants, and loans to cooperatives as well as to individuals in the low-income classes. To be sure, we had to argue with Comptroller-General McCarl for some months as to what a "low-income farmer" was before we could get the money set aside for aiding the underprivileged untangled from the mess of red tape; and then again we had to reargue the question of what a "low-income" farmer was for the purpose of forming a cooperative. But we ultimately got started on a program of small loans to groups in need of aid, which has taught us a good deal about the behavior of people under economic pressure.

The Resettlement Administration has financed both consumer and producer cooperatives—and a considerable variety of each. In other words, we were, in a limited way, administering a credit agency, and we set out to be "social-minded." We found that there were plenty of farmers who wanted to cooperate. The ruling that all members of our "co-ops" had to be "destitute or low-income farmers" hampered us greatly, and for obvious reasons. It is an unusual county in which we have more than 300 clients, and these are scattered everywhere. Three hundred farm families spread over a whole county cannot maintain a retail store; and there are a good many other economic activities which are similarly made difficult.

Yet some retail enterprises have been financed, and the range of activities which are being tried cooperatively is rather startling. Let me name a few: soil terracing, limestone production, pulp-wood cutting, fertilizer and other purchasing groups, irrigation, drainage, canning, breeding (cattle, sheep, mules, horses), dairying, medical and dental services, telephone lines, syrup mills, starch mills, etc. I could go on at considerable length naming activities in which low-income farmers have actually felt it was more advantageous to work together than to work singly.

Some of these enterprises are rather obvious and simple, as when a few neighbors join in buying a good bull or a few carloads

Resettlement Administration

***MONUMENT TO COOPERATION:** Farmers band together to beat the middleman; here is concrete evidence of their efforts.*

of fertilizer. But some are novel. And a few are venturesome. There was no particular risk involved in lending funds to the Dakota Farmers' Union to begin a turkey-raising enterprise. They had done it before in that country, and they knew they could make a good thing of it. But when 150 clients in an Arkansas county, with the advice and consent of the County Medical Association, formed a medical cooperative for family care at a fixed rate per year, and Resettlement provided the funds, there was likely to be some disturbance. Productive operations are made so difficult in many places by the prevalence of malaria, hookworm, venereal diseases, or preventable malnutrition, that any kind of rehabilitation is impossible until something has been done about health. Clients were unable to get care because they could not pay unless they could produce an income. Resettlement broke the vicious circle. And this type of cooperative has begun to spread. But the organized physicians have declared war now, and what the result will be no one can tell.

Rescuing the Stranded

More provocative still are the collective operations begun at the stranded-worker communities. These were less the result of theory or the desire to try cooperative enterprises than of sheer necessity. These communities were inherited by the Resettlement Administration from the Subsistence Homestead Corporation of the Interior Department, which had set them up in an attempt to provide stranded miners, mill-workers, and other industrial workers in Pennsylvania, West Virginia and Tennessee with homestead plots of three to five acres, so that they could live on the proceeds of their own gardens and part-time work in industry. In establishing them, the subsistence homestead organization succumbed to a number of fallacies. One of these, and the most doubtful, was that industry would move to aggregations of willing workers. The whole experience of industrialism pointed in the opposite direction; nevertheless the trial was made.

The hope that industry would move in and provide part-time work to the residents of the new communities soon vanished. Any chance that the idea might have worked was quickly dissipated when Congress, at the behest of certain petty interests who feared competition, rushed in to prevent Government participation. As it was, the pretty homes had been begun and the small acreage plots had been laid out when the Resettlement Administration took over. It was a case of making the best of a bad job.

No part of the work of the Resettlement Administration has been so severely criticized as these communities, which were established on a theory in which none of us believed; yet, with the use of cooperative devices and by working practically with the materials at hand, they are becoming as interesting places to inhabit as there are in the United States. If industry could not be established by Government, or if private industry could not be induced to come in, we saw that we should have to reduce our dependence on that. The other resource was agriculture. But three and five acre units were useless, and especially so in situations far from markets and without climatic advantages.

We, therefore, did the only thing possible to give the people there a chance. We began the organization of cooperative production. We bought land in areas around the established community, brought in management, filtered practical ideas through the schools, and loaned the funds for the establishment of a congeries of cooperatives at each place. Instead of each homestead having a scrawny flock of chickens in the yard, with a hog of doubtful parentage, and a cow that might or might not yield enough milk to pay for her keep, each homesteader owns a share in a large-scale poultry enterprise, a scientific hog-raising business, and an up-to-date dairy. And most of them pay and pay well.

Organizing the Sheep

This is not the whole story. There are processing plants in a small way; one makes cheese, another sorghum syrup; one cans vegetables, another works up timber;

one produces limestone, another grades and sells high-bred potatoes for seed. Then there are the retail buying and selling cooperatives which handle marketing both ways, solving the old problem for farmers who have always had to buy at retail and sell at wholesale. Nothing like these communities has ever been seen in this country. Perhaps these will not be allowed to survive. They are surrounded continually by a circle of enemies with bared teeth, who feel that their success would jeopardize some good hunting they had always felt belonged to them. It has been a painful surprise to see the Government suddenly organizing the sheep; all good Governments before have been on the side of the wolves. And perhaps Resettlement may be made to fall in line and give up a Quixotism which other credit agencies avoided even in the early days of the New Deal, and which they look on askance now and will abolish or emasculate if they can.

Westmoreland, Arthurdale, Crossville, Red House and Tygart Valley are bad enough, but Jersey Homesteads (near Hightstown, in New Jersey) is considered to be the limit. For here not only is the village planned as a close community without homestead features and with all agricultural operations carried out collectively, but a cooperative garment factory is in full operation and doing nicely. This is a marriage of city and country, industry and agriculture, such as has been dreamed of by more idealists than could be named offhand. But that there is anything idealistic or fancy about these pioneering New York East Side Jews, no one can believe who has heard one of their discussions of the operating problems they face together day by day. They are not so much learning to cooperate as learning to manage. Cooperation is a commitment made in the set-up; it has passed beyond discussion.

Anyone who will go to Hightstown with open eyes and ears can learn a good deal about economics and society. He may come away with the suspicion that individualism in America is something which has been forced on individuals, and that virtue has been made of it first to make it tolerable and then to preserve its exploitable features for those who profit from them. Cooperation, he can learn, is the easiest, most natural thing in the world. People do not function well that way; they make something out of it which otherwise someone else would get. But people with open eyes and ears are going there—and to Arthurdale and the other communities, and to the Greenbelt towns, in thousands every Sunday. It's very educational. And there are a surprising number of the homesteaders who do not seem to tire of answering questions and who have come to regard themselves not as rescued families but as examples of good social organization.

Practice Versus Theory

All these activities, as has been intimated, were practical answers to puzzling problems. Neither our rehabilitation cooperatives nor our community enterprises were undertaken to prove any theory nor, indeed, to further the cooperative movement. We had no interest of that sort. But we soon found that the cooperative movement had an interest in us.

Two kinds of cooperation have been notably successful in this country: the marketing of farm products, and the common purchasing of goods by farmers and others who were independent except for this function. These groups have lobbies, national organizations, paid secretaries, and all the other paraphernalia of groups who expect legislative favors. They have sought orthodoxy as naturally as a chameleon changes color and for the same reason. It seemed to them not unlikely that Resettlement Administration cooperatives might make their own protective coloration difficult. It would become clearer and clearer, they evidently felt, that cooperation involved, or could involve, something more than simple buying and selling in an otherwise undisturbed business system.

But this kind of orthodoxy was not so troublesome as another. As was said before, there is a coöperative movement which has

become literary. And although its principles are simple, they are rigid. Every novice who is brought into the fold is required to learn the Rochdale story by heart. It is simply the story, as most of us know, of the weavers in the town of Rochdale, England, over a hundred years ago, who had to face the fact that wages were low and the price of bread high. A strike for higher wages failed. So they tried to do something about the price of bread. They organized what has come to be known as a consumer cooperative and started a store. It is, of course, a thrilling experience in non-capitalist motives; it shows, for instance, resources in human nature of which ordinary economic activities make no use whatever.

But the story has not proved to have any lesson for producers as such, so that production has come to be thought of as a rather unimportant appendage of consumption. The British and the continental cooperatives have been from time to time forced to produce some goods in self-defense; but their production has been no more cooperative than it would be in any factory. The workers there might be working for any employer of labor; the consumers for whom they work merely take the place of ordinary shareholders.

When Resettlement came to regard its necessities, for instance, at Arthurdale, as largely those of joint production as well as marketing and purchasing, it did not fit very well the historic picture. But there was another and more serious difficulty. It has always been thought that cooperation is less an economic than a semi-religious or, perhaps, educational movement. At any rate, there is an element of evangelism in it. It was conceived to thrive on difficulties. It had to begin by fighting the world around it and by cohering because of real or fancied oppression, forcing its way into prosperity less by economic advantage than by loyalty among its members even at a sacrifice. And Resettlement was attempting something quite different. It was furnishing a friendly atmosphere at the outset. The circle of its enemies was kept remote from the communities themselves. There was nothing to fight except nature and human stupidity. What the cooperators had to do was to make a good job of managing their enterprises. It was all too easy in one way and too difficult in another.

It is going to be interesting to see whether the practical or the evangelistic approach is correct. Some of the activities which seem prosperous now may prove not to be. From this a great deal will be learned. In any case, unless the experiment is stopped, by Congress, by the Courts, or by other unfriendly forces, Resettlement will, in this matter of cooperatives, have served, as it has in others, to open large cracks in orthodoxy. It may change the literary conception in some respects. But these are by-products, and to us unimportant. Our interest has been the practical one of raising the lowest income levels we have in this country closer to what we call the American standard. For that purpose the devices we have borrowed, stolen, or invented seem to have promise.

The Right to Break Strikes

The story of an American industry, profitable though hardly respectable

BY EDWARD LEVINSON

PROFESSIONAL strikebreaking has recently won the attention a major industry deserves. From time to time since the 1870's particularly violent strikes have brought an appreciation of this uniquely American business. The muckraking era thirty years ago drew the lid slightly from this garbage pail of industrial refuse, but scandals, political and financial, held the major spotlight until the period of righteousness had spent itself. The U. S. Industrial Commission of 1915 returned to the subject, but the war days soon fastened attention on other matters and placed the report of the commission prematurely among the academic books.

The phenomenon of hired "adjusters" and "stabilizers" of industrial relations has since become more prevalent than ever. The labor militancy created by the NRA and governmental sanction of unionization brought an immediate counter-attack and an unheard-of rich harvest for the professional strikebreakers in all their departments: espionage, the promotion of company unions, the supplying of guards, armed and unarmed, and the recruiting of replacements for strikers.

So lustily did the strikebreaking industry take up its work, that the National Labor Relations Board found its efforts peacefully to adjust labor disputes seriously impeded. It requested a Federal investigation, and the Senate Committee on Education and Labor directed Senator Robert M. La Follette and two other members to make a preliminary survey and determine the necessity for a full-fledged Senatorial probe equipped with finances and with the right to subpoena the books and records of the strikebreaking agencies and their retainers. Drawing largely from a study of the lifework of Pearl L. Bergoff, confessed Strikebreaker King, and supplementing these findings with the first-hand experiences of labor leaders, the Senatorial subcommittee returned an illuminating, though still far from complete, picture of the industry and its current techniques. On the basis of this report, the Senate voted the fuller inquiry which is now in progress.

Industry's Strong Arm

A survey of fifty cities has revealed between 700 and 800 strikebreaking organizations, most of them calling themselves private detective agencies. At least 222 agencies which furnish labor spies were found. A conservative estimate placed the number of paid informers in the ranks of union labor at 40,000, or one spy for each local union of the American Federation of Labor. Twelve agencies were national organizations with branches in several cities. One, the Railway Audit and Inspection Company, is connected through an interlocking directorate with Federal Laboratories, Inc., which carries on an extensive business in supplying guns and ammunition to agencies, companies, and public officials in strike areas.

The list of companies using strikebreaking services includes firms from every industry in the nation. An investigator for the labor board placed industry's annual bill for industrial spies at $80,000,000.

Digging down into the details, the varying techniques are discovered: New labor unions with hundreds, sometimes thousands, of members suddenly fall away to a

score of followers; the secretaries are discovered to be employees of detective agencies. Other unions engage in ill-advised strikes, or sign poor agreements; spies are revealed in strategic positions. An employer retains a strikebreaking agency and places some of its operatives among his workers; the workers soon tear up or return their union charters, their organizations shattered by dissension and mistrust. A desire for unionization appears in a plant; a company union is hurriedly organized—through the inspiration of a professional public "labor relations expert." Union records are stolen; a spy and a spy agency are convicted. A union worker testifies before a Government board; he is trailed and discharged.

And turning to the division of the industry which supplies guards: An agency ships 150 guards to a Southern mill town; they are sworn in as policemen and create such a disturbance that the Governor of the State deports them. Strikers in a machine shop conduct a long and peaceful walkout; five guards—three of them ex-criminals—appear in the city and in the dead of night smear the homes of the strike-leaders with paint. An agency supplies a guard to protect a wealthy home during a strike; the guard steals $54,000 in gems and furs. Police raid one agency during a strike and find it has been taken over by a group of racketeer gangsters. Another agency is raided and turns up nine men with criminal records. A company goes through the motion of collective bargaining; at the same time it hires private guards and lays in a supply of tear gas. Officials of a textile union begin a ten-year sentence after conviction—on a charge of planting dynamite; the witnesses against them prove to be strike guards, some of them ex-convicts.

Then there is the third category, the replacements, known as "finks" in the industry. Almost 20,000 of them are hired in a New York strike, and the employers' spokesman states, at the end of the strike, that only 15% of them would make desirable employees. A check-up of one agency's recruits reveals that 10% of its strikebreakers have major criminal records.

Through all this there runs one outstanding common rule: the complete irresponsibility before the law of agencies supplying these spies, guards, and strikebreakers.

Government Investigations

If official condemnation had been sufficient, the strikebreaking industry would have been ended decades ago. The Homestead affair in 1892 first brought to the nation's attention this new factor in industrial life. The sending of 150 armed Pinkerton men into a peaceful, strikebound community brought a battle and the death of eleven men. Both the House and the Senate investigated, and committees of both deplored importation of the Pinkertons. They found the Pinkerton men of a low order of intelligence and responsibility. The Senators called the Pinkerton labor espionage "an utterly vicious system—responsible for much of the ill-feeling displayed by the working classes." The committee entertained some doubts of the legality of shipping armed men across State lines, but Robert A. Pinkerton gave assurance that such was not his custom. The men went in one train, the guns and ammunition in another, he said.

Governors of West Virginia, in 1907 and 1912, denounced the handiwork of the Pinkerton competitors, the Baldwin-Felts agency. The United States Industrial Commission (1902) echoed the findings of the Congressional committees and once again doubt was expressed of the "technical legality" of the employment of private guards. The U. S. Department of Labor in 1914 decried the slaughter of Michigan strikers by private guards of the Waddell-Mahon agency.

The most sweeping denunciation of the entire strikebreaking system came in 1915 from the Commission on Industrial Relations, created by President Wilson. The report of the commission called the armed guards "lawless criminals" and referred to the "endless crimes" of the Bergoff and other agencies. The employer members of the commission dissented from the sweeping majority report but granted that "there

Keystone

A "UNIQUE AMERICAN BUSINESS": Armed strikebreakers guarding a plant. "A list of companies using strikebreaking services included firms from every industry in the nation."

has been an abundance of testimony to prove to our satisfaction that some employers . . . have employed gunmen in strikes, who were disreputable characters, and who assaulted innocent people and committed other crimes most reprehensible in character."

As a remedy, the commission urged that Congress set up prohibitions, with severe penalties for violations, on the transportation over State lines of men, either armed, or with the intention of arming them, as private guards; and the prohibition of shipment in interstate commerce of cannon, machine guns, and other implements of warfare when intended for private use. The commissioners urged the regulation, and failing that, the complete abolition of private detective agencies, private employment bureaus, and espionage services; the strict enforcement of laws requiring that applicants be informed when they are to be sent out on strikebreaking jobs; and the exclusive assumption by cities and States of responsibilities for policing. They urged a closer scrutiny of men sworn in as deputy sheriffs and legislation providing that they be bona-fide residents of the States in which they serve; that they be compelled to give a complete picture of their activities for ten years previous to their proposed deputization; that no ex-convict shall be sworn in as a deputy; and that no deputy shall receive pay from private sources.

As the post-war militancy of the labor movement waned, the problem of what to do about the professional strikebreakers receded into the background. But after the Coolidge era and the crash, came the New Deal with its Wagner labor relations acts and with them, a rebirth of the professional strikebreaking industry. Forty-two strikers and others died in strikes in 1934, and the outcry against strikebreakers was renewed. Governor Lehman of New York and Mayor Daniel W. Hoan of Milwaukee led the fight, though Mr. Lehman's efforts were set to naught by opposition in the State legislature. The National Labor Relations Board induced the Senate Committee on Labor and Education to make a preliminary survey of forces working to defeat the intent of the Wagner act. Senator Byrnes of North Carolina caused the Senate to pass a bill making it illegal to ship men across State lines for the purpose of depriving labor of its legal rights. The House approved and the President signed the bill, but it will prove to be a weak barrier. The Mayor of Philadelphia decreed, without waiting for law, that professional strikebreakers would not be tolerated in his city.

Legislation

The sum total of effective legislation enacted during these decades of public condemnation, however, is not impressive. Twenty-six States have made illegal the circulation of industrial blacklists (one of the principal products of industrial spy agencies) though in most cases the loopholes are large enough for even the dullest agency or employer to perceive. Nevada, New Jersey, New York, and Virginia have laws against bribing trade union officers. Wisconsin alone has a law aimed at blocking entirely the work of labor spies.

Arkansas, Colorado, Massachusetts, Missouri, Oklahoma, Tennessee, Washington, and Wisconsin prohibit the importation of armed guards from other States except, in most cases, by special permission of the respective Governors. One of the most drastic laws is that of Massachusetts, where private armed guards must have been employed at least two months prior to a strike, must be citizens of the State, and must not have been convicted of a felony. Twenty-two States have laws which give express permission for the employment of private industrial police, their appointment to be approved by the Governor, and their salaries paid by the companies which use them. Pennsylvania in 1935 outlawed completely the employment of private guards.

Importation of strikebreakers, as distinguished from guards and spies, is permitted in all States. California, Colorado, Illinois, Massachusetts, Montana, New Hampshire, North Dakota, Oklahoma, Oregon, Pennsylvania, South Dakota,

Tennessee, Texas, and Wisconsin seek to compel agencies and employers to notify prospective strikebreakers of the nature of their work. The Federal and several State employment services follow the same procedure. But the right to import strikebreakers is enhanced in thirty-two States by legislation which outlaws interference with them by means of force, violence, or, in some States, the calling of names. Thus New Hampshire shields the sensitive feelings of its "finks" by making it a misdemeanor to address any "offensive, derisive or annoying word" to them. Michigan prohibits interference with strikebreakers by means of "threats, intimidation or otherwise."

Some cities have been moved at times through accidents and deaths caused by inexperienced strikebreakers, to bar the use of the latter in street car strikes. But today only one State appears to have any fear of street car operation by strikebreakers. Louisiana requires ten days' local instruction for motormen at the hands of a person employed within the State for a year. New York law requires merely that a motorman be "examined" by the company hiring him. Washington requires a three-day training period for motormen but waives this regulation in times of strike.

The Wisconsin law, enacted in 1925, goes furthest in its attempt to embarrass and limit the activities of private guards and labor spies. While several States require the licensing of private detective agencies, usually in a perfunctory way, the Wisconsin law dictates that each guard and detective employed by an agency shall hold a license. The term "detective" specifically includes industrial spies, described as "inside shop operatives." Filing of the operatives' names and pictures with the State, where they are available for public inspection, is, of course, a serious drawback to undercover work. Other sections of the statute fix stringent requirements to be met by each licensee, and require the posting of substantial bonds —$10,000 by an agency and $2,000 for each operative—which may be attached in the event of damage done to life or property. Furthermore, two citizens must be produced who will agree to underwrite the total amount of possible damage. Local police and fire authorities may examine the background and records of applicants for license and may subpoena witnesses deemed necessary. Proceedings to revoke licenses may be instituted on complaint of six citizens.

In 1935, Daniel W. Hoan, Socialist Mayor of Milwaukee, caused the enactment of a city ordinance aimed at making the employment of strikebreakers largely useless. The ordinance is based on the consideration that the Wagner act has made collective bargaining public policy. It therefore specifies that where employers have refused to deal with the chosen representatives of strikers, and such refusal causes large crowds to collect threatening life, property, and public peace, the mayor or chief of police may step in and close the plants. The presence of these conditions must first be determined by a committee of nine, three representing capital, three labor and three the clergy of different denominations, all appointed by the Mayor.

The Wisconsin legislation and Mayor Hoan's ordinance challenge the very foundations on which American industry has erected its right to break strikes—a right which, it is argued, is grounded on two fundamentals: the right of a worker to take a job whenever and wherever he may find it, and, second, the absolute right of an individual or corporation to carry on business no matter how much disorder its policies may entail.

The majority report of the 1915 Commission on Industrial Relations backed up the assertions of organized labor that neither of these rights should be regarded as sacred.

"The 'right to work' guaranteed to the strikebreaker," the Commission observed, "seems to be based on the conception that the strikebreaker is normally a workingman, who seeks work and desires to take the place of the striker. The fact is, practically without exception, either that the strikebreaker is not a genuine workingman but is a professional who merely fills the

place of the worker and is unable or unwilling to do steady work." The Commission challenged also the conception of the absolute "right to do business." This right, it suggested, should be accorded only insofar as its exercise is in the public interest, "and it may be restricted or prohibited through the police power whenever it is dangerous or in any way deleterious to the public."

But the views voiced by the Commission in 1915 have failed to find favor in the courts, notably during the steel strike in 1919, when Mayor Davis of Cleveland caused the deportation of 200 imported strikebreakers on the ground that their presence was a menace to the public peace. The American Steel and Wire Company promptly appealed to the Federal Courts, whereupon Judge Westerhaven roundly denounced the Mayor and held his action illegal even though it had been taken to preserve the peace.

Though the strikebreaking industry in the immediate past has been subjected to new and sensational exposures, the fundamental issues remain:

Shall men be permitted to take the jobs of others solely for the purpose of breaking strikes? Shall industry continue to enjoy the right to operate, regardless of the public inconvenience such operation may entail? Shall the employment of spies still be permitted to abridge labor's right to organize in unions of its own choosing? Shall irresponsible men, most frequently thugs and paid by employers be given the work of preserving "law and order"?

Chiang Kai-shek

LIKE Benjamin Franklin, Chiang Kai-shek keeps a diary; in it he records the vacillations of his temper—when he became too hot-headed, or admonished his people too severely. In it, too, no doubt, are the Chinese dictator's more important political reflections. His kidnaper, Chang Hsueh-Liang, rebellious 38-year-old sub-commander of the national Chinese combat forces, is reported to have read it thoroughly before releasing the dictator last December, after the mysterious and abortive effort allegedly to force a war with Nippon. Despite a gradually stiffening attitude, Chiang Kai-shek has avoided open conflict with Japan. He has often been accused of "selling-out" his country, while he worked tirelessly for national unity.

Times Wide World

INSIDE MEXICO

There are parallels to the struggle in Spain, but Mexico goes forward

BY MAURICE HALPERIN

THERE are several reasons why I chose Vera Cruz as a vantage point from which to view the Mexican scene. You have to get away from Mexico City if you want to get a true perspective on Mexican realities. It is, of course, an exaggeration to say that Mexico City is not Mexico, just as it is wrong to say, categorically, that New York is not the United States. Both cities in many respects offer a condensed, concentrated image of the essential characteristics of their respective countries.

Nevertheless, the distinction between metropolis and nation is a far more legitimate one in Mexico than in our own country. Rural and provincial Mexico—and that means practically the entire country outside of the capital—has been so little urbanized, so little affected by industrial civilization, that it seems to constitute a world apart.

Vera Cruz is neither the most backward nor the most developed of the Mexican states, but it is one of the largest, comparatively well populated, and endowed with a great diversity of natural resources, including a fertile soil. Strangely enough, it is both the most radical and the most reactionary of the states. It is thus an area which is not only typical of Mexico as a whole, but also the center of its most aggravated conflicts. Moreover, like the rest of the Mexican hinterland, though with more obvious effect, Vera Cruz constantly feeds the capital with its antithetical and interacting currents of social and political activity.

This was dramatically brought out when Manlio Fabio Altamirano was assassinated last June in a Mexico City restaurant. Altamirano, one of the ablest and most progressive members of the National Chamber of Deputies, was governor-elect of Vera Cruz. It was quickly established by the police that the crime was a political one and that the murderer had been paid by the owners of one of the largest *haciendas* (feudal plantations) in the state.

The repercussions of the affair were felt immediately. Altamirano was one of the leaders of the Mexican People's Front, an organization similar to the coalition in Spain now struggling against the fascist rebels. He was a staunch friend of the labor unions and peasant leagues. Hence protests began pouring in to President Cárdenas, demanding not only swift punishment for the real criminals, but also a thorough cleaning up of reactionaries. The assassination, it was maintained, served as a warning that a small but powerful clique of feudal landowners was ready to use violence to gain its ends. Yet in Mexico City the danger seemed unreal.

The Old and New Mexico

In ancient, semi-tropical Jalapa, beautiful and placid capital of Vera Cruz, the death of Altamirano took on meaning. I easily sensed the deep-rooted antagonisms that divide the old Mexico from the new in the small, comfortable hotel where I stayed. First I was visited by two elderly ladies, relatives of prominent Mexico City officials whom I knew. They were relics of the old aristocracy and spoke mournfully of Jalapa and Mexico. When I cheerfully complimented them on the charms of their city, they shook their heads and sighed: "Before the Revolution, thirty years ago, life was

worth while in Jalapa." Later in the evening, a man in work clothes came to see me. He was secretary of the local plasterers' union. Don Fernando, the host, frowned slightly when he led him to my room. The plasterer talked about the problems of the workers: "Mexico before the Revolution was a living hell for us; now we struggle and have hope, but we really live for the future." It was nine o'clock and dinner was just being served. I took him with me to the dining room where, amidst the indignant glares of the other patrons, we finished our conversation over thick steaks and a bottle of *Rioja.*

I realized, of course, that I had broken a sacred convention, that I had cut across class lines almost as rigid here as the color line in Mississippi. It was amusing, too, especially the perplexity of the good Don Fernando who could never understand how an obviously respectable guest with friends like the two refined ladies, would sit at the table with a worker. Yet it revealed in a casual, though striking, manner the abyss separating a small group, survivors of Mexico's past, from the rest of the population.

Remnants of Aristocracy

In Jalapa I discovered that this group has not given up hope, that it desperately strives to maintain its power and wealth. Nearby is the *hacienda* whose owners the Federal authorities had implicated in the murder of Altamirano. They had been arrested but were soon out on bail, and as far as I know they are still at liberty. I wanted to visit the *hacienda,* but everybody urged me to stay away. It was unsafe, they said, especially since the assassination, because the guards were in the habit of shooting first and asking questions later.

However, I spoke to many people who at one time or another had been at the *hacienda* or had had dealings with its proprietors, and from them I could gather a clear picture of the institution. Though it is equipped with modern machinery for the manufacture of sugar cane alcohol, it is not unlike a medieval fortress in its social organization. The peasants and workers employed there live in villages scattered over its vast domains, and for all practical purposes are serfs, bound to the *hacienda* by eternal debt and the constant vigilance of armed guards.

Ever since 1917, when the present Mexican Constitution was adopted, these typically feudal conditions have been abolished by law. Nevertheless they have managed to survive in many parts of the country. In this particular case, the original proprietor had obtained the protection of an influential revolutionary general by giving him a half interest in the *hacienda;* and though at one time the state government of Vera Cruz fell into the hands of radicals, the general had been able to use the troops at his disposal to safeguard his property against both state and national laws.

At the present time, the *hacienda* has a private army estimated at some five hundred men equipped with the most modern rifles and machine guns. This force has, during the last year or so, served as a defense nucleus for other *haciendas* throughout the state. Since President Cárdenas assumed office, the Federal Government has seriously taken up the task of distributing small farming lots to landless villages. Nevertheless, whenever the peasants of this district attempt to take possession of the land, the *guardias blancas* (white guards), as the peasants call them, drive them off with a hail of bullets.

Concerning most of these facts there is universal agreement. The *hacendados* are often frank in admitting that they resist the laws with force and violence if necessary. In the case of Altamirano, whom they recognized as their implacable enemy and as one who would stop at nothing in enforcing agrarian laws, they did all in their power to prevent his election. Having failed, they turned in desperation to other means.

Code of the Hacendados

To think of these feudal landlords as mere degraded criminals is a mistake. They are, as a rule, personally honorable, pleasant, and cultivated gentlemen. Their chief

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THEY DON'T WANT CALLES: A novel demonstration outside the Chamber of Deputies against the return to Mexico of General Calles, former dictator.

difficulty is that they live in the past, that they are bound to an old order and an ancient code. For them, the real Mexico is feudal Mexico, the pre-revolutionary Mexico of humble peons and mighty aristocrats. While many of them were swept away during the holocaust of 1910–1920, those who survived have tenaciously resisted the encroachment of modern civilization. They do not recognize the Constitution of 1917 as law.

At the same time, one can scarcely blame the peasants for becoming increasingly bitter, impatient, and militant. At the dingy headquarters of the "Genuine League of Agrarian Communities" in Jalapa, they told me that the *guardias blancas* have killed twenty-five hundred peasants in the state of Vera Cruz during the past three years. The death of Altamirano stirred them deeply, and they blamed President Cárdenas for not prosecuting the murderers more vigorously. Yet it is the faith they still retain in the Federal Government which keeps them from organizing open warfare against the *hacendados* and the state authorities under their control.

Strangers to Communism

To speak of the peasants of Vera Cruz as communists, as some have done, is absurd. Ninety percent of them are not aware of the existence of the Soviet Union. However, they are radical compared to the peasants of Morelos, for example, who have received lands and are relatively content. It was an illuminating experience to talk to these Morelians, followers of Zapata during the Revolution, and at that time the most ardent and determined revolutionists.

Today the vast majority of them own their own land and have become property conscious. In the little town of Yautepec I questioned a group of them, gathered in the shade of the plaza, concerning communism. The peasants had learned how to read and knew about the Soviet Union.

"No," they said, "we have no commu-

nists here. We Mexicans don't like communism because we wouldn't care to give up our land to the state. We each have our own piece of earth, we want to work it in our own individual way and pass it on to our children."

The peasants of Vera Cruz who own no land can hardly be expected to entertain great respect for private property. Hence they are radical and a potential threat to the capitalist system of private property which the present government is attempting to establish in Mexico. At the same time, it is difficult to reproach these peasants for their radicalism; it is obviously not their fault that their desires to own property constantly have been thwarted.

Here in Vera Cruz, where feudal reaction and revolutionary agrarianism color the social, political, and economic atmosphere with an ominous mixture of black and red, we can most clearly see one of the greatest obstacles to the peaceful, evolutionary process by which Mexico is striving to transform itself from a backward, medieval country to a modern, industrial, and democratic nation. Mexico is essentially an agricultural state, with 70% of its population bound to the soil. Though President Cárdenas has made extraordinary progress in the direction of agrarian reform, almost half the peasant population is still property-less. Land must be provided for them as early as possible, yet the resistance of the *hacendados*, as we have seen, is powerful and dangerous.

A Second Spain?

With the Spanish tragedy before our eyes, there is a good deal of discussion as to whether similar events are not in store for Mexico.

This is no idle speculation because Mexican institutions closely resemble those of the mother country. The Spanish republic since 1931 has been faced with the same problems which confronted President Cárdenas when he reorganized his Government in June, 1935. Both regimes have been consistently loyal to legal and constitutional methods of reform and opposed to violent change. While this has been at the same time both the strength and weakness of both governments, it is recognized that President Azaña's almost incomprehensible leniency toward those who were openly plotting armed revolt against the Spanish republic was in no small measure responsible for the terrible events which followed. The result, as we have seen, is that Spain was forced to abandon the middle way. Whatever the outcome of the bloody insurrection, the liberal bourgeois state with which Azaña hoped to replace feudal Spain is gone forever.

Is President Cárdenas guilty of a similar laxity in combating his reactionary enemies? Conditions in Vera Cruz would seem to indicate that he is. Yet in this particular case, and in others as well, he has been forced to proceed with the utmost caution by the peculiar nature of Mexican politics, a situation which his Government has inherited. The relative remoteness of many regions of the republic, due not only to lack of communications but to the survival of feudal political organization, makes it difficult to enforce agrarian reform. At the same time, inimical elements, still too powerful to disregard, remain close to, and actually within, the cabinet itself. There is one cabinet member, for example, who has firmly supported the Cárdenas program as far as the country as a whole is concerned, yet has perhaps done more than anyone else to sabotage it in the state of Vera Cruz, where he is closely linked with the most conservative *hacendados*.

Only a prophet would dare to say with any finality that Mexico will or will not avoid the catastrophe which has overtaken the mother country. Nevertheless there are many encouraging indications that Mexico may be spared the experiences of Spain. To begin with, President Cárdenas has acted with a good deal of energy and firmness in carrying out agrarian reform. In twenty months he has distributed more than half as much land as his predecessors had done in the previous twenty years. And at the present time he is speeding up, rather than retarding, the process. Last Novem-

ber, for example, he parceled out the rich cotton-growing acres of the Laguna district in the state of Coahuila, long the seat of bitter strife and a center of aggressive reaction.

For months after he assumed office, the "Gold Shirts," a dangerous band of admittedly fascist gunmen, remained a constant threat to law and order. Last August, when undisputed evidence that they were plotting an armed uprising was uncovered, President Cárdenas swiftly and effectively broke up the gang and sent its leader into exile. The Army, so frequently in Mexican history an instrument of the most brutal despotism, is rapidly losing its old character. At no period since the Revolution has it been less encumbered with corrupt and self-seeking generals. Today, it is generally conceded that in case of an attempted *coup d'etat* the Army would remain loyal to the Government.

Mexico and the "Good Neighbor"

The cordial relations that have existed between Mexico and the United States during the Roosevelt Administration have been an invaluable aid to the stability of the Mexican Government. Most Mexican revolutions have started in the north, where there has been easy access to guns and munitions. The "good neighbor" policy, whatever its shortcomings, has put an end to the smuggling of arms across the frontier. The United States, for many years feared and hated as the "Colossus of the North," has never been so popular south of the Rio Grande. It was a pleasant surprise to find illiterate peasants in the costal jungles of Vera Cruz, people scarcely aware of the existence of the outside world, ask me about *el Presidente* Roosevelt and express their admiration for him.

However, what more than anything else makes Mexican reactionaries think twice about following the example of their Spanish brethren, is the popuarity of President Cárdenas with the great mass of peasants, workers, and even business men. Most Mexicans are not only vehement in their expression of sympathy toward the present Government, but seem to realize their responsibilities toward it.

One incident brought this to my attention with particular vividness. I was in the city of Vera Cruz when the Magallanes, a loyalist Spanish steamer, was loading rifles and cartridges for the Popular Front Government. As I watched the operations from the dock, I was told that the Mexican stevedores were donating their time and labor free of charge to the Spanish Government. I was not surprised because the Mexican people had almost instinctively recognized the Spanish rebels as the blood-brothers of their own *hacendados* and aristocrats.

However, I wanted to make sure and inquired at the headquarters of the stevedores' union. Yes, it was true, the secretary said, and proceeded to inform me how many thousands of pesos this gift represented.

"And what would you do," I asked him, "if the Mexican Government were threatened by armed rebellion?"

He smiled confidently. "If we are willing to do this for the Spanish Government, which is not our own, you can imagine without my telling you what we would do for President Cárdenas."

DAVID WINDSOR

He wouldn't play king without Mrs. Simpson. Le roy le veult

BY GEORGE E. G. CATLIN

IN THE British sky on December 1, 1936, appeared a cloud about the size of a man's hand. In Yorkshire a bishop was delivering, on that afternoon, a somewhat bold and unexpected address to his Diocesan conference. On the evening of this day, St. Andrew's Day, in the Banqueting Hall of Edinburgh Castle, the Duke of York was dining as the new Grand Master of the Free Masons of Scotland. Upon that visit to Scotland *The Times*, on the following day, made a remarkable editorial comment:

"That loyalty which has always been part of the fiercest pride of Scotland . . . is embued with a special affection for the Prince in whose posterity another race of Scottish descent may some day be called to the Imperial Throne."

A few readers raised their eyebrows and rubbed their eyes. In some quarters there was frank speculation about the King's intentions. Transatlantic comment, however—discreetly, if voluntarily, censored in the English press—had scarcely reached English shores save as a troubadour matter of no great significance and, anyhow, a very old story, of which merely the last version had come from Dalmatia. Almost none knew that on November 25, Mr. Baldwin had been asked to give a formal reply on behalf, not only of the British Cabinet, but of those of the Dominions, to the King's request for an act enabling him to marry without the assumption by his wife of the rights and prerogatives of Queen. None but Mr. Baldwin knew of the informal talk with the King on October 20 when the question at issue was of a future Queen.

On December 2, when the report of the Bishop of Bradford's address was published, it was, indeed, patent to all that there was something in the wind. The English are, in a peculiar way, a moral people. They characteristically approach the gravest issues from the standpoint of "what is done." It was therefore natural that the first news of the coming storm should be from the mouth of a bishop—one hitherto little known outside his own diocese and appropriately named Dr. Blunt. After various remarks upon the importance of the Holy Sacrament in the Coronation service, and why his colleague, the Bishop of Birmingham, was, therefore, wrong in suggesting that Baptists and other non-conformists might share in the ceremony, the bishop added that the King would need for his task particular grace.

"We hope that he is aware of his need," he said. "Some of us wish that he would give more positive signs of his awareness."

The King is still the Supreme Governor of the Church of England. He was generally supposed not to be unaware of that fact. So the statement was significant, even when made in the puritan north.

Bishop Blunt promptly receded into the background. The good man was left explaining his regrets that the divorce law of the state was not that of the Church. His statement, however, was reported in full in *The Times* (Conservative) and commented upon extensively by all the northern papers. It was clearly no unhappy indiscretion of a suffragan prelate. As the *Yorkshire Post* (Conservative) said editorially:

"Certain statements which have appeared in reputable United States journals, and even, we believe, in some Dominion news-

Times Wide World

NEAR QUEEN AND EX-KING: Preferring Mrs. Simpson, King Edward VIII gave up his royal functions, one of which is obviously boring him.

papers, cannot be treated with quite so much indifference. They are too circumstantial and have plainly a foundation in fact."

"This proposed marriage," commented the Anglo-Catholic *Church Times*, "would be a fatal blow at the prestige of the British monarchy."

On the 3rd, the storm broke. *The Times* carried a "leader" headed "King and Monarchy." It concluded:

"The high office which His Majesty holds is no man's personal possession. . . . Events in the world outside have imposed, as never before, upon the British Monarchy the duty to stand as a rock to the world outside amid the seething tides of Communism and Dictatorship."

On the evening of the 3rd the public awoke to a full and astounded awareness of what was involved—possible abdication. Through the millennium of English history since Alfred the Great, no English King save Richard II has abdicated and he only under violent duress. James II signed no such act; flight was his only assent to deposition. In the House of Commons Mr. Baldwin merely said, "While there does not at present exist any constitutional difficulty, the situation is of such a nature as to make it inexpedient that I should be questioned about it at this stage." But the *Evening Standard* (Conservative) that day had definitely mentioned that the alternative to renunciation by King Edward of his projected marriage or to his calling for the advice of other ministers (involving, presumably, the resignation of the present Governments, at home and overseas) was—voluntary abdication.

Kernel of Offense

The first reaction, in most quarters not under strong ecclesiastical influence, was one, not only of dismay, but of resentment at the apparent imposition upon the King in his private life of conventional standards which, in this day and age, would not restrict his subjects. Even *The Times*, quoting the great statesman of Charles II, Halifax, said: "No one expects more than human nature will allow." The *Daily Herald* (Labor) observed, however, that "Mrs. Simpson has divorced two husbands", and found here the kernel of offense. But it is at least doubtful whether, in significant

quarters, or even in a popular vote at that moment, this attitude would have commanded assent. The *News Chronicle* (Liberal) and the *New Statesman* (Socialist) took an opposite view, as did the *Daily Worker* (Communist.)

"Moreover," wrote the *News Chronicle* editorially on the 3rd, "if the King should feel disposed, in the special circumstances, to acquiesce in Parliament passing an Act of Exclusion barring from the Throne any possible issue of his marriage, thus leaving the existing succession to the Throne unchanged, that would be a gesture that would overcome many scruples."

Although in Australia, whose Premier is a Catholic, Archbishop Mannix declared that there was an obligation upon everyone "to obey the laws of man and the laws of God", in London the Catholic *Tablet* deprecated the extension of Parliamentary power into the regulation of the King's personal life.

December 4 saw a certain inclination—at least in the South of England, still preoccupied with more obvious moral and social issues—to turn from Mr. Baldwin to the King. In more precise language, many people inclined to feel that Mr. Baldwin's advice to the King that a morganatic marriage was impossible, was needlessly uncompromising, and that his statement in the House of Commons on Friday, that "there is no such thing as what is called a morganatic marriage known to our law", was irrelevant. The statement, in view of the Exclusion Act covering the case of John of Gaunt, was only strictly correct if it was not read to mean that no act debarring children from the succession was hitherto known to English law. The *New Statesman* came out on that day with an editorial advocating a morganatic marriage and stating:

"We have then a constitutional dilemma for which there are no precedents—a situation in which the Cabinet's rights under our monarchical system clash directly with the King's moral rights as a man."

Lord Beaverbrook, the newspaper publisher, is in close touch with the court. Possibly under this influence his papers showed a significant change of attitude. The *Evening Standard*, notably, came out in favor of a compromise on the 4th.

On the 5th, large crowds of demonstrators gathered outside Buckingham Palace and Downing Street. The following day protests were heard as the Archbishop of Canterbury left 10 Downing Street.

Constitutional Issue

The mass of the crowds were anxious to display sympathy in the right quarter, but were frankly puzzled. It was further significant (if only to be expected) that Sir Oswald Mosley, speaking in the East End of London, spoke strongly in opposition to Mr. Baldwin and "challenged the Government." There was much chalking of the pavements with Fascist signs.

On the 6th, a quieter situation began to prevail in the country as a whole, if not among the crowds in Whitehall. The prolonged meetings of the Cabinet and discussion among Members of Parliament, including a meeting of the Labor Party parliamentary executive, was having the effect of crystallizing the issue. Upon reflection, the conviction was spreading that the conventional issue was subordinate, despite the displays of moralistic wrath in Scotland—a Kingdom always reputed in the south to be crass, if not barbarous, in its outspokenness. It was also becoming abundantly clear, even to those politically most alive to this issue, that class and social animus, however menacing in themselves, were playing (at least as touching Mrs. Simpson) no decisive part. Opinion in the Labor Party was slowly but decisively setting against challenging Mr. Baldwin's advice to the King. The opinion of the constituencies, discovered during the week-end, was not yet to warrant a challenge. The constitutional issue was beginning to overshadow the entire scene. As before, the "heavier" Conservative press vigorously supported Mr. Baldwin's policy. But meanwhile the vigorous criticism of Mr. Baldwin's policy by the *Sunday Dispatch*, the *Daily Mail*, and other organs of Lord

Rothermere's press, was doing no good to the cause of compromise.

By request of the Archbishop of Canterbury (to whom *The Times* discreetly referred as "at the head of the Church of England"—a remark for which, it is to be feared, its editor would have been hanged and quartered by Henry VIII) no reference was made to the issue in the sermons in Anglican churches. The same rule was generally observed elsewhere. The customary prayers, however, were said for his religious and gracious majesty, and opportunity in many cases was also given for silent prayer. This formal restraint probably had its counterpart in a growing irritation, not least among business men because the issue was prolonged.

Then Mr. Baldwin made his second statement in the House: "With the exception of the question of morganatic marriage, no advice has been tendered by the Government to His Majesty, with whom all my conversations have been strictly personal and informal." In inspired statements in the press it was further emphasized that "there had never been any clash between the Government and the King, the position never having reached such a point." Briefly, this cryptic official utterance meant that the King's Ministers had tendered their constitutional advice on one issue only, and that there was no reason to suppose it had been rejected.

This House

That Monday afternoon found the House of Commons, always inadequate in its accommodation, packed to overflowing and, in the Peers' Gallery, noble lords standing four or five deep in the gangway. The applause that greeted Mr. Baldwin's statement testified, not necessarily to unanimity of opinion on policy, but certainly to great sympathy with the Premier and to unwillingness to challenge his conduct. Public opinion had undergone a shift to constitutional approval, re-inforced by the moral approval of the North.

Nothing was more instructive than the fate of the questions put by Colonel Josiah Wedgwood (Lab.) and by Mr. Winston Churchill (Cons.). Colonel Wedgwood is a recognized authority on Parliamentary history, the editor of a monumental work on the subject, and a character universally respected and beloved. His motion was challenging and had in its phrasing a flavor redolent of the history of England. It ran: "That in the opinion of this House, the oath of allegiance which they have already taken to Edward VIII is unaffected by any form of Coronation ceremony or by the presence or absence therefrom of any dignitary or personage whatsoever; nor will they substitute any other for the King of England." Would the Prime Minister give an opportunity for discussion? With the Premier's firm "No, Sir", there was little doubt left that the House was in overwhelming agreement.

A worse fate was reserved for Mr. Churchill, Marlborough's descendant. On his question whether the Premier would give an assurance that "no irrevocable step will be taken before the House has received a full statement", he was in effect shouted down. There was no sign of any repetition of that applause which had greeted the same question on the preceding Thursday. Mr. Baldwin, in reply, declined to answer hypothetical questions. Thus within three minutes a great Parliamentary reputation received a grave setback.

The *Daily Herald* was already prepared to stage the issue as one of *King vs. People*, and its columnist, Mr. Hannen Swaffer, reported a comparison that he had heard in the House of Commons: Baldwin and Neville Chamberlain to Pym and Hampden. Later, Mr. Swaffer rose to a comparison of Mr. Baldwin to Cromwell—a position highly advantageous to the former at a time when he might have been attacked by Labor for weak diplomacy in Spain. At the meeting of the Labor Parliamentary group Mr. Attlee, leader of the party, reported upon the position but made it clear that he had committed the party to no action. The Parliamentary Labor Party at least appeared to be united upon the conviction that it was not called upon to intervene or to offer in-

dependent advice, other than that given by the Conservative Government.

Actually the issue was in no formal sense one of *King versus People.* A General Election could only have resulted if the Government had asked for a dissolution of Parliament, or if the Government had resigned and some alternative group of Ministers (as in the days of William Pitt), after taking over the seals of office, had made a similar request. The people, therefore, were not, during these days, called upon in any way to express their will. What this will would have been, in the first days of emotional upheaval, it is hard to say. *The Week* (Communist) held that it was by no means certain that Mr. Baldwin would have won. On the other hand, the large body of Members of Parliament remained confident that they would retain the support of the body of their constituents. Later, this appeared certain; the press campaign had become effective.

Political Issue

It is further inaccurate to represent the issue as one of *King versus Parliament,* although the King was doubtless hampered by the support of persons who were themselves definitely anti-parliamentarian. The passage of a Royal Marriage Act would have been a signal manifestation of Parliamentary sovereignty. The outstanding facts were that the House did not demand an early debate and that His Majesty's Opposition was not prepared to challenge the Government. The opinion of the House was therefore assumed rather than tested. It is significant that Mr. Churchill could have proposed a motion "that this House do adjourn" on business of urgent national importance, which would have compelled debate if he could have obtained forty supporters. But he did not choose to pursue this course.

Mr. Baldwin, in replying to Mr. Churchill, declined to deal with hypothetical cases. The constitutional lawyer, however, may appropriately state them, and articles on the dominating constitutional issue appeared in several papers. The constitutional issue was, indeed, neither one of the sovereignty of parliament nor even of the King's obligation to accept the formal and duly tendered advice of his Ministers. There was no reason to presume that the King was not prepared to accept that advice on the sole issue on which they had been consulted, morganatic marriage. The position was that, if the King had desired to reject the advice of any particular ministry (which he was constitutionally fully entitled to do, although this was not universally understood), he was under an obligation to invite other Ministers to assume the responsibility of advising him differently. Owing to the decision of the Opposition not to intervene, no sign of such an alternative Ministry appeared.

The issue, then, was at its heart not formally constitutional, but political. Charles James Fox, when dealing with the not entirely dissimilar problem of Mrs. Fitz-Herbert (who was, however, a Catholic) clearly, from his correspondence, contemplated the possibility of Parliamentary authorization of a marriage at a later date. The Opposition in 1936 was unwilling to follow Fox's example and to bring in the monarchy to redress the balance of popular support for their Socialist program, although there were not wanting voices to point out that the achievement of this program was far more important than any question of whether Mrs. Simpson was or was not Duchess of Cornwall or even, like Anne Boleyn or Elizabeth Woodville, Queen of England. Without facing a resignation, they declined even to put pressure on the Conservative Cabinet in this sense. They feared to take the risk of being labeled "the King's friends."

Professor Laski urged in his articles—of which the last was entitled "The King Reigns, the People Rule"—that appeal to the country which involved, *inter alia,* the morganatic issue, if successful must lead to the abolition of the substantial neutrality of the Crown and an increase of the personal power of the King. It was interesting, in the light of his previous writings, that Professor Laski supposed that the Crown

could be substantially neutral in a grave issue. Admitting that many Socialists had other ideas, he dissociated himself from "a left wing that has not yet won over the Labor Party to its views." Whether, of course, a King personally indebted to Labor for the realization of his heart's desire, would have used any increment of his power against Socialism, it must be for every man to judge for himself. However, it is not clear whether, if King Edward had chosen so remarkable a course and had come into conflict with some future Socialist Government, on issues to which Parliamentary precedents were applicable, a Conservative Opposition would have declined to form an alternative Government—as the Labor Opposition loyally did on this occasion and thereby settled the issue. Professor Laski, however, maintained in the *Daily Herald:*

"A General Election which, on sentimental grounds, re-established the King as an independent source of active power in the State would be a dis-service as grave as any that would be rendered to Socialism. For there would be an appeal to that power by the interests of privilege in this country on the first occasion when a Labor Government proposed to serve the interest of the workers against the interest of privilege. On past experience who can say what would be the outcome of that appeal?"

It is doubtful, however, whether an opinion about the dangers in a Democracy of a General Election, with some possible resulting increment in the personal prestige of the King (as distinct from the Crown), taken apart from the international context, deterred the Labor Party from following Fox's precedent. It would have been feasible for it to warn the Cabinet—if not to make an onslaught on the Conservative Party, which must have profoundly disturbed it in the country. There was at least a *prima facie* argument in a democracy for advising the consultation of the people even on issues of other than second-rate constitutional importance. The Party doubtless had, by this time, the most cogent reasons for adhering to the strict and formal theory of Parliamentary sovereignty and for declining to intervene in Conservative responsibilities. The Party leaders were kept informed by the Premier. The international situation overshadowed the scene. Sir John Simon, at least, was able to derive satisfaction from a speech about the working concord between all parties in the House, which presented the world with the example of a great democracy led, as he said with a rather disputable constitutional emphasis, by a species of "Council of State."

But it should be said that the leaders of H.M. Opposition were brought into consultation late. The initiative in the informal advice to the King was taken by Mr. Baldwin who, in the beginning, did not even consult his colleagues. The position was one which demonstrated the overwhelming power of a British Premier, even when confronting a King—a King who called for documents and showed himself most inconveniently inquisitive about the working of the British economic system.

As touching the so-called sovereignty of Parliament (which is on the road to becoming almost as symbolic as that of the King), it is noteworthy that no debate took place until after the abdication had been announced. Nor, under Parliamentary procedure, could it have been forced upon the Cabinet at an earlier stage except upon a "motion that the House do now adjourn" on a matter of urgent national importance, which motion would have had to be allowed by the Speaker. Even so, debate could have been prevented, under a rule which had an ironically different origin, if the Crown had been brought into discussion. Only perhaps as a censure upon the Cabinet, or possibly upon the basis of Colonel Wedgwood's motion, would debate have been possible and, even here, the Premier could have wielded the axe of Dominion sentiment.

The Opposition (which might indeed have exercised pressure short of causing a resignation) was in an inconvenient position; if it had criticized, it could have been called upon to form a Government. And al-

though it was common talk in the Commons that the King was, if anything, more favorable to the Labor Party than to Mr. Baldwin, the Labor Party machine was not prepared to take the electoral risk. For obvious reasons the Conservative Party would not. All the implications in the event of the development of a Fascism at present insignificant do not need to be laboured.

Anonymous Letter

Irritation, meanwhile, partly financial and commercial, was increasing because the crisis continued. As one editorial expressed: "No one wishes to harry or press the King. . . . But the moment cannot be long delayed when the Prime Minister must in duty ask an answer." It was assumed that the King, having received the advice of his Ministers, would have some further communication to make, even though there was "no clash between the Government and the King." In a situation of extreme gravity abroad, messages were not lacking, for example from Paris, deploring that the attention of the Ministers of one of the Great Six among the Powers was, owing to the conflict between Mrs. Bessie Simpson of Baltimore and Mr. Baldwin, being withdrawn from the affairs of Europe during critical days for Spain and for the peace of the world. A solitary and anonymous letter, printed on December 8, in *The Times*, illustrated a point of view which, with the new week, was gaining ground in the country.

"Why has this country been thrown into the utmost confusion, the Monarchy shaken, and the British Empire put to great risk? The answer can only be because his Majesty has hitherto regarded all these consequences—unless one has to assume that he foresaw none of them—as of less importance than his desire to marry—ultimately, but not now, the still half-divorced wife of Mr. Simpson."

The crisis had now become self-generating, and sentiment hardened under the impact of the pro-Government press. The fact that the crisis had become so acute was an argument why it should not, whatever the rights or wrongs, have been started at all. A few were found to mutter that the Anglican Church would be better disestablished; that, in a famous phrase, "it had come with a lass, and should go with a lass." But the overwhelming mass of public opinion was now focused upon other than the moral issues. The prolongation of the crisis was felt to be endangering the Empire, and the march of events themselves to impose a moral duty to terminate the strain.

The British public was presented with, and impressed by, a singular unanimity of Dominion opinion. Mr. Baldwin had consulted all the Dominion Governments, which were united against compromise, and he spoke on their behalf. In India personal loyalism prompted certain expressions of the opinion that the King should be given a free hand. From Australia it was explained that the Commonwealth Government had not taken the initiative. The *Evening Standard* reported that in the Commonwealth Parliament, on the motion to adjourn, "Socialist members protested; some began to sing God Save the King; the adjournment was carried amid uproar." The characteristic opinion, however, was that quoted by *The Times* from *The Times of India:*

"The whole Empire, including India, appears to stand behind the Government. That patent fact cannot be disputed."

The Dominions, therefore, have an overwhelming measure of responsibility for any decision taken.

Public opinion began to settle itself. This was its fourth phase. Excitement abated. The *News Chronicle* swung back into line with the statement that Mrs. Simpson's renewed renunciation showed a way out. "What she can do, he also can do; and it is his duty to do it." The *Manchester Guardian* (Lib.) reiterated its opinion that the King's personal affairs and influence must, under no circumstances, be brought back into politics. The *New Statesman* prepared to follow suit. The *Morning Post* (Cons.), however, deprecated abdication on the ground that the King could not do this

and "live happily ever after, like the prince in a fairy tale."

American by Birth

Meanwhile, at the King's private residence, Fort Belvedere, a scene took place worthy of one of Shakespeare's dramas. Shortly after noon the Dukes of York and Kent were with the King. At 5.15, enter Mr. Baldwin, who remains for five hours of discussion. At 10, exit the Premier. At 11, exeunt York and Kent. Visit of his Majesty's secretary from Buckingham Palace to Lambeth Palace, and audience with the Metropolitan. Outside, the Foreign Offices of Europe wait.

Perhaps here, in the international issue, rather than in any moral, religious, or constitutional issue, the clue to the mystery is to be found. *The Times* declared:

"This talk of 'pressure' (upon the King) is not only ill-informed but highly dangerous. It leads straight to the risk, destructive of all national and imperial unity, that the Monarchy will become a pawn in political controversy. Anyone with the slightest political experience, particularly one who fully realizes the dangers of the present international situation, must appreciate the horrors of such a prospect."

It is not necessary or desirable here to discuss whether Mr. Baldwin or, ultimately, the Dominion Premiers have been right in the non-accommodating advice that they chose to give. The comment has been publicly made that, whereas it was said that the King was the link with the Dominions, on the first occasion that the Dominions have freely acted together they have acted unanimously against his wish. If true, that is a matter of immeasurable consequence to anyone of vision for the future of the Anglo-Saxon world. At least it is difficult to say that Mr. J. B. Priestly is wrong when he stated that the monarchy can never be quite the same again. An historical precedent has been irrevocably set.

Throughout the controversy it can be said without reserve that no objection was taken to Mrs. Simpson because she is an American by birth (although Canadian married). An American marriage, as in the case of the House of Marlborough and of Mr. Joseph Chamberlain, quite possibly would have been welcomed. The one outstanding reference to the matter, by Colonel Wedgwood, was to the effect, in bluff style, that an American marriage was preferable to a German one. Nor will mature consideration probably bear out the opinion that the issue could be posed as one of democracy *versus* snobbery—the theme of the Prince and the college girl. This fails to account satisfactorily (at least if taken alone) for the action of the Labor Opposition. The political attitude in relation to the King himself is more obscure. The part played by the moral issue is one of questionable assessment. It can only be said that it has not always been decisive with the Royal Family. On this issue American opinion on the proper weight of this issue is probably as good a guide as British. This only can be said, that, on the result, Victorian morality (with or without a double standard), had clearly won a crushing victory.

Newspaper placards on December 10 bore the football legend, "Best Soccer Form Guide." At three o'clock the bell tolled for evening service, largely attended, in the Abbey of the Confessor. One crossed the road, dark with fog, but still uncrowded; passed the great statue of Cromwell and entered the Palace of Westminster; smelled the dank cold of stone-paved Westminster Hall; passed the statues of Pitt and Fox, and arrived in the gilt and mosaic Central Lobby. The gathering there, although large, was neither unusual in size nor marked by excitement. At a quarter before four, in the crowded Commons, Mr. Baldwin appearing at the bar of the House, announced "a message from His Majesty the King." Mr. Speaker took the three sheets of paper and read. "I, Edward VIII, of Great Britain, Ireland and the British Dominions beyond the seas, King, Emperor of India, do hereby declare my irrevocable determination to renounce the Throne for myself and my descendants."

Le Roy Le Veult.

The Realm of Science

WILL 1937 see the conquest of cancer? Will it witness the triumph of medicine over influenza, the common cold, and other diseases which are suspected to be of virus origin? Will the present year bring the release of atomic energy, a source of energy so potent that a glass of water would supply enough power to drive an ocean liner across the Atlantic?

These are some of the questions which the observers upon the scientific frontier are asking. Scientists are notably conservative in their replies. They point to the fact that scientific research is a long, slow process, that delays constantly arise, that minor obstacles sometimes require a decade to overcome.

But observers of the scientific scene are impressed by the fact that progress is coming more swiftly in the fields mentioned than at any time in the history of the world and that while the solution of the major problem in each case may be a decade or a half century away, it is also entirely possible that it may come in 1937.

Researches which seem painfully slow while in progress appear to be incredibly swift in retrospect. This point was splendidly illustrated by the address made by Dr. Karl T. Compton, president of Massachusetts Institute of Technology, as retiring president of the American Association for the Advancement of Science before the association's annual winter meeting in Atlantic City.

Dr. Compton spoke upon "The Electron: Its Intellectual and Social Significance." He pointed out that at the turn of the century, the electron was little more than a theory. The discovery of X-rays by Roentgen in 1895, radioactivity by Becquerel in 1896, and radium by the Curies in 1898, led Sir J. J. Thomson to postulate the existence of the electron.

"The history of science abounds with instances when a new concept or discovery leads to tremendous advances into vast new fields of knowledge and art whose very existence had hitherto been unsuspected," Dr. Compton told his audience. "No such instance is so dramatic as the discovery of the electron, the tiniest thing in the universe, which within one generation has transformed a stagnant science of physics, a descriptive science of chemistry and a conventionalized science of astronomy into dynamically developing sciences fraught with intellectual adventure, interrelating interpretations and practical values.

"I take particular pleasure in mentioning these practical values, for even the most unimaginative and short-sighted, hard-headed, practical business man is forced to admit the justification for the pure research, of no preconceived practical use whatsoever in the minds of those who led in its prosecution and of all degrees of success and significance, which has been directed at the electron. For out of all this research have come the following things which all can understand and appreciate: a growing business in manufacture of electronic devices which now amounts to fifty million dollars a year in America alone; a total business of some hundreds of millions of dollars a year which is made possible through these electronic devices; innumerable aids to health, safety and convenience; and an immense advance in our knowledge of the universe in which we live."

Dr. Compton, of course, had reference to all those industries which employ electron tubes of one sort or another, either the familiar electron tube of the radio, the photo-electric cell used in all sorts of automatic control devices and in television, or the X-ray tube used in both medicine and industry.

It is extremely doubtful if in 1905 when Dr. R. A. Millikan was performing his experiments to measure the electric charge upon the electron, experiments which possessed the added significance of verifying the existence itself of the electron, anyone would have dared to predict that a hundred million dollar industry would be evolved from the electron.

One is justified, therefore, in viewing the future of all science with optimism as 1937 gets under way.

The subjects of cancer and the virus diseases occupied much of the time of the nation's scientists at the Atlantic City meeting of the American Association for the Advancement of Science.

Each year, the scientists of the country usher out the old year and welcome in the new with this great conclave. Schools and colleges are closed for the Christmas holidays. But these savants spend their holidays attending morning, afternoon, and evening sessions. Sometimes more than 20 sectional meetings are in simultaneous session and by the end of the conclave a total of several thousand scientific papers has been presented.

This writer journeyed to Atlantic City for the conclave. It was the fourteenth annual winter meeting of the association which he had attended. Incidentally, it is worth mentioning that the serious reporting of science in America began fourteen years ago with the Boston meeting of the association in 1922. Reporting that meeting were Alva Johnston, representing the *New York Times*, Dr. E. E. Slosson and Watson Davis, representing Science Service, and this writer representing the Scripps-Howard Newspapers.

The Attack on Cancer

The Medical Section of the American Association for the Advancement of Science spent three days taking stock of the advances which have been made in the treatment and investigation of cancer. These revealed that there is great hope for the successful treatment of cancer if the malignant growth is discovered early enough. But it also revealed that the great major discovery of the cause of cancer is still in the future.

So promising, however, are some of the lines of research, that many authorities believe that a "lucky break" may bring the long-awaited climax during the present year.

High-powered X-ray machines, some of them delivering rays equivalent in strength to the rays of more than a million dollars worth of radium, are now being used in the treatment of cancer. Dr. Lauriston S. Taylor of the U. S. Bureau of Standards reported that there are now about forty X-ray machines operating at voltages of more than 300,000 volts in the United States today. A few years ago, a 100,000-volt X-ray machine was a rarity.

Many experimenters are working with neutron rays as a means of treating cancer. In some cases, these rays have proved more powerful than either X-rays or the rays of radium.

A debate as to the method of the inheritance of susceptibility to cancer developed between Dr. Maud Slye of the University of Chicago and Dr. C. C. Little, director of the Roscoe B. Jackson Memorial Laboratory. Dr. Slye, who has bred 140,000 mice in the course of her cancer experiments, believes that there is one unit recessive hereditary factor for each type of malignancy and one for each location. She believes that since inheritance follows Mendelian rules, there is hope for breeding out certain types of cancer in the human race. Dr. Little disagrees that breast cancer is controlled by genes or Mendelian factors but by some factor outside the chromosomes which are the carriers of the genes.

Of particular importance is the chemical research upon the cause of cancer. Chemists have isolated cancer-producing hydrocarbons so potent that the amount which can be placed upon the point of a pin is sufficient to cause cancer in mice. These compounds have been shown to be disintegration products which can be manufactured from the bile acids and the sex hormones. The question of whether cancer-producing substances arise in the human body from the break down or disintegration of normal substances commonly present in the body is now under investigation. Many authorities think that the chief hope for the solution of the cancer problem lies in this particular line of investigation.

The Virus Diseases

From Atlantic City, members of the American Association for the Advancement of Science moved to Philadelphia to listen to a symposium upon the virus diseases in the meeting hall of the American Philosophical Society, America's oldest scientific society. Founded by Benjamin Franklin, this society has headquarters in the shadow of Independence Hall. Contemporary portraits of Franklin and George Washington look down upon the scientists from the wall of its assembly room.

The virus diseases are more exactly called the filterable virus diseases. They get their name from the fact that the agent which causes them is invisible in the most powerful microscope and will pass through the pores of the finest porcelain filter. Among them are infantile paralysis, influenza, and perhaps the common cold.

Historically the most famous of the virus diseases is the mosaic disease of tobacco. Earlier in the meeting, Dr. W. M. Stanley of the Rockefeller Institute for Medical Research was awarded the $1000 prize of the American Association for the Advancement of Science

for his paper on this disease. Scheduled to speak at the Philadelphia session, Dr. Stanley was confined to his bed in his Princeton, N. J., home by another of the virus diseases. He had a mild attack of influenza.

For decades a debate has raged as to whether the agents which produced the virus diseases were living organisms or chemical substances. Most biologists have been inclined to regard them as living organisms, some sort of invisible microbes.

Dr. Stanley's work has established the fact that the cause of the mosaic disease in the tobacco plant is a chemical substance, namely a form of protein. He finds that the disease is caused by a giant protein molecule, a molecule with a molecular weight of 17,000,000 and therefore considerably larger than any previously known molecule of protein.

The first result of his work, therefore, is to establish the existence of a new disease-producing agent, namely, the giant protein molecule. This must be added to the bacteria, fungi, protozoa, and animal parasites which are now known to be the causes of disease.

There is, in addition, a second important result of his work. Dr. Stanley regards the virus as a link between non-living matter and living matter for the virus has one of the attributes of living matter, namely the ability to reproduce itself.

He finds that when a very small amount of the virus is introduced into the tissues of living plants, it so alters the metabolism of the plant cells that these cells instead of producing the sort of proteins which they normally require begin to produce more of the virus proteins instead.

It is important, however, to stress one point. While the virus can reproduce itself, it can do so only in the presence of the living plant tissues. It may be argued, therefore, that the reproduction of the virus is as much the work of the living plant cells as it is of the virus.

The average reader may desire to know more about the subject of protein and its relationship to life. If, at any time, he has been interested in diets, he has heard much discussion of carbohydrates, fats, and proteins.

These three, along with water and certain mineral salts, are the constituents of all living matter. This stuff which composes the cells of all living things is called protoplasm. Huxley called it the "physical basis of life," because the phenomena of life are found associated with it and nowhere else.

Carbohydrates, fats, and proteins are all compounds of carbon. The carbohydrates are the simplest of all. They are the sugars and starches and consist of three chemical elements, carbon, hydrogen, and oxygen. Fats contain the same chemical elements as the carbohydrates but are composed of more complicated molecules. Proteins are the most complicated of all and in addition to carbon, hydrogen, and oxygen, they contain nitrogen. Sometimes they also contain phosphorus, sulphur or iron.

There is an almost infinite variety of proteins and each one has its own definite structure.

Atom-Smashing Experiments

As 1937 gets under way, atom-smashing experiments are going on in many parts of the world, including laboratories of the University of Chicago, the University of California, the California Institute of Technology, and the Carnegie Institution of Washington among others.

Recently the Westinghouse Electric & Manufacturing Co. decided to enter this field of investigation, marking the first entry of a commercial concern into the field. The method of smashing or disintegrating atoms is to bombard them with various sub-atomic particles, -electrons, protons, neutrons, or alpha particles. High electric voltages are needed for these bombardments and the present researches are directed largely to the attainment of these voltages.

Glands and Behavior

An endocrine survey is recommended for problem children by Dr. Matthew Molitch of the University of Pennsylvania Medical School. Dr. Molitch says that in a vast number of cases, truancy, bad behavior and other anti-social conduct in children can be traced to disorders of the endocrine or ductless glands, particularly the pituitary gland.

"Adequate and potent preparations are now available for treating children with endocrine disorders and favorable reports from many clinics have appeared during the past five years," he says.

When bad behavior is present in a child who is too tall, too short, too thin, or too fat, the possibility of glandular difficulties being present is enhanced, he says. Dr. Molitch warns, however, that treatment must always be under the guidance of a competent physician.

DAVID DIETZ

Highlights of the Law

ONE most curious phenomenon of our changing world is the odd reaction which current changes excite in that basic fabric of our civilization—the law itself. The extremely conservative tenor of the legal tradition has been its chief characteristic in all ages, and the systems of law which have survived have been those which provide a strong and permanent warp into which the weft of immediate legal needs can be harmoniously woven. During the dark days of depression, legislative mills all over the world worked overtime grinding out hundreds of attempted remedies. Some of these statutes and decrees constitute historic contributions to the law, some were discarded before the ink was dry, while others, retained in part, have suggested or compelled the enaction of still more laws to supplement them. The man in the street was soon floundering in bewilderment, and even brilliant lawyers complained of their inability to cope with the heterogeneous mass of new legislation. At its height, the confusion justified the observation of John Vance, an authority on world laws, that the law is still in the ox-cart stage of our national life.

With Congress and forty-six State legislatures in session this winter there does not appear on the surface any immediate prospect of relieving this condition. Yet today it seems probable that we are about to witness, in several parts of the world, the beginning of an era of recapitulation of law comparable to that of the age of Justinian and the days of the Napoleonic Codes.

Before the World War, nations which, like France, lived under civil and commercial codes adopted during the last century, found in these a simple and satisfactory system. Today the most fundamental bases of the old codes have been weakened and sometimes emasculated by emergency legislation or by new legal principles following in the wake of social and economic progress, and sometimes by basic constitutional innovations, such as the corporate state. Partial recodifications are therefore taking place in some nations, while in others, notably Peru and Czechoslovakia, entirely new codes have recently been promulgated or are in process of formulation. Czechoslovakia, faced with the problem of harmonizing the diversified legal systems of the national groups of which the country is composed, has set a standard for the world in its methodical approach to a baffling task. The Czechoslovak Collection of Laws resembles our own admirable United States Code of Laws in method, although its aim—a national code of laws—is far different.

Tangled Tax Laws

Contributing more to the bewilderment of the man in the street than any other class of emergency legislation has been the levying of the public revenue. Driven by a desperate need for funds, legislatures, parliaments, and dictators have seldom had the time or the inclination to envisage a logical or balanced development of the tax system; as a result the tax laws in some important countries have a most chaotic appearance. Even in this country, the lawyer or accountant who would become a tax expert will be well advised to secure a thorough mastery of the principles of advanced algebra. Great Britain has succeeded in codifying her taxes into a simple, rational system, and there exists a strong demand in France and Belgium for similar action.

Our new Federal tax on undistributed corporate earnings (which, incidentally, was promptly and inadequately copied by France) has been severely criticized on the score of its roundabout and complicated formulae for determining taxable amounts. There are many features about the new tax which readily lend themselves to justifiable criticism, but this is not one of them, it appears, when viewed in the light of the object of the tax—equalization of the tax burden—and the bar of unconstitutionality placed across a more direct approach by the decision of the Supreme Court in *Eisner vs. Macomber*.

Nevertheless, while we cannot now dig up

our tax hedge and replant it in a straighter row, we can at least clip some of its less comely ramifications, and there appears to be a disposition in Congress to prune away those nuisance taxes the cost of collection of which has been disproportionate to the net return.

Judge-Made Law

Parliamentary statutes and decrees of executives having dictatorial powers, and, in some countries, paramount codes of law, constitute of course the primary bases of legal systems. Yet, in every country, the judiciary even when submerged and apparently subservient, has a will to independence, and exerts a constant influence on the effect of laws by testing them against the everyday transactions and affairs of the people. One cannot deny the courage of the German Supreme Court at Leipzig which decided, in 1936, that a reference in commercial advertising to the foreign ownership or to the Jewish racial character of the owners of a rival firm is a form of unfair competition and therefore not to be tolerated; nor should we omit to discern, in decisions of this kind, the tenacity of ingrained principles of jurisprudence.

In the Republic of Panama, a recent wave of nationalism resulted in the passage of a law limiting the right of certain aliens to go into business in the retail trade in the nation. Although this law (which had its counterpart in several other countries in 1936) was dictated by national economic needs, it was contrary to the spirit of Panamanian political institutions and was annulled by the Supreme Court of the country.

In the United States, we have begun to wrestle determinedly with a unique national juridical problem—the elimination, paring, and reorganization of our numerous administrative tribunals. Many of these, having been granted or having arrogated to themselves semi-judicial powers, tend naturally to expand their jurisdictions, often without adequate supervision by the regular State and Federal courts. It is probable, as far as Federal tribunals of this kind are concerned, that the present session of Congress will see the establishment of some form of control or regulation embracing the whole system of quasi-judicial tribunals, defining their several functions, delineating their jurisdictions, and determining the forms of practice and procedure in them. This movement is another illustration of the trend toward an era of recapitulation and a consolidation of the gains of a century and a half of legislation and judge-made law.

A practical step in the regulation of administrative tribunals has been the founding of the *Federal Register*, in which all orders and regulations of Executive agencies having general application and legal effect must now be published to be valid. Until recently there had been little effective demand for an official gazette similar to the official publication of almost every other country. Thus sources of administrative law heretofore inaccessible to the lawyer and businessman, to the student and to Government officials themselves, will now be readily available.

Self-Regulation of the Bar

In no country of the world does the lawyer play such a prominent part in public affairs as in the United States. In some countries, such as Germany today, the legal profession is surrounded by barriers and limitations which would disconcert and discourage the major part of the swarms of our young men who annually aspire to, and acquire, membership in the American bar. While it is true that hundreds of them never intend to enter upon the active practice of law, still hundreds of others hope sincerely to do so; and large numbers of these find, after three or four years, that delusion has displaced fiery determination. When the white banner of the profession droops for these individuals, an accounting will reveal three or four irredeemable years of economic waste, if not worse.

Although these facts are generally known, they do not serve to restrain the ever-increasing parade of young people of both sexes seeking to become lawyers, for it is still true that personality, intelligence and inclination to labor can be as useful as capital, social backing, and influence in the race for success at the bar.

In most countries, lawyers are organized into "colleges" or exclusive guilds directly chartered by law. In England, whose legal tradition is closest to our own, admission to the bar, general regulation, and expulsion are in the hands of the Law Society, an official body. In the United States, admission to the bar is a matter of State law, and the requirements range all the way from mere application and the possession of a bachelor of arts degree to the most rigorous intellectual, technical, and character examinations. All over the country, lawyers have habitually gathered together in

"bar associations"; but since lawyers in their affairs are thorough-going individualists, these associations have served primarily as outlets for their gregarious natures rather than as vehicles for self-regulation, notwithstanding all professions of their ideals and objects.

It would be intellectually dishonest to depreciate the great accomplishments of the American Bar Association, our closest approach to a national law society or college. Heretofore, however, its capacity to guide and determine the character of the American bar in general has been severely limited by its private character and extremely conservative nature. Although its membership has included leading lawyers from all parts of the country, its control has remained in the hands of a limited circle of wealthy, powerful, or conservative men. An event of greatest import to the legal profession, therefore, was the first meeting, in January 1937, of the reorganized, democratized American Bar Association. A new representative "House of Delegates" presented credentials of election by member bar associations everywhere and began to participate in the government of this old, established, and influential body. Although there are groups of lawyers who are by no means impressed or satisfied with this significant step, it is certain to have a great influence on the preparation of the bar for the coming period of legal reform.

Piping Times of Law

Perhaps this new golden age of law will be ushered in formally this summer at the Second Congress of Comparative Law at the Hague, for which American delegates are now busy preparing papers to read and resolutions to propose. The Americans will be able to entertain their foreign confrères with accounts of startling departures in American law, including enforceable commercial and labor arbitration, corporate regulation, enforcement of fair competition and fair trade practices, and maintenance of retail prices.

The Europeans and others will be interested to learn that legal authority to enforce the maintenance of retail prices was based on the premise that trade marks are an element of good will, that good will is private property and that it does not pass to the purchaser of the trademarked commodity itself. They will be able to show the Americans that, in many countries, trade marks themselves have long been regarded as a species of private property, carefully guarded under comprehensive "industrial property" laws. On the other hand, they will astonish everyone with revelations of the extent to which the conception of private property has been modified in many countries outside the Soviet Union, generally under the guise of expropriation laws. The strangest spectacle of all will be the report of the establishment of a "democratic" constitution in Russia, under the wing of which, it is safe to prophesy, legal talent will cautiously creep back into the full exercise of those faculties which have contributed so much to civilization.

Magnificent Goal

The revival of interest in comparative law, the activity of the American Law Institute, which is laboring over a vast restatement of the whole body of American law, the continuous work of the National Conference of Commissioners on Uniform State Laws and other bodies seeking the adoption of standard laws throughout the country, and the efforts of the Association of American Law Schools to raise the quality of legal education—all these elements of integration, matched by equally serious labors in the same vein in many foreign countries surely presage a powerful and united assault on the shadows lurking in the corners of contemporary civilization.

GUERRA EVERETT

On the Religious Horizon

AMERICAN Protestantism faces reorganization or disintegration!" The Rev. Dr. Ivan Lee Holt, addressing the Asbury Park, N. J. convention of the Federal Council of Churches of Christ in America of which he is the President, voiced in these words the keynote of one of the strongest pleas for Protestant reunion that has been heard in this generation.

This prominent Methodist Episcopal pastor, expanding this statement, said in part:

"We are in a day when we must find a new strategy for the Protestant Church. It is not simply advisable; it is necessary. We cannot bolster up our courage longer by quoting statistics about Protestant membership. If there were a vote in any city federation, or in the executive committee of the Federal Council, I think an overwhelming majority of denominational representatives would vote for federation as against union. If it is to be federation, it must be a closer federation than we now know. As for me, I am not afraid of union. It may be a union which preserves distinct contributions of different denominations; it must be a union in which each denomination surrenders historical positions and inherited attitudes. * * *"

In a similar vein, Dr. Justin Wroe Nixon and Dr. Albert W. Beaven, reporting for a Committee of the F.C.C.C.A. on "The State of the Church," deplored the entanglement of the Church in a pagan society, and urged the need of a common faith, a common conscience, and a united Church. This report, printed in full in *The Christian Century*, Dec. 30, 1936, said among other things that:

"The cardinal conviction borne in upon us * * * is that the Church must recover * * * a wider sense of a common message and mission to a world destined to perish without the Christian Gospel * * * The Christian Church needs to disentangle itself from various forms and habits of mind characteristic of our present society, so it may take hold of the moral and spiritual issues of that society with greater sincerity and power. The recovery by the Church of the assurance of its own unique and indispensable mission seems to us the outstanding need of the present hour."

These excerpts are quoted, not only because of the thought they express, but because they have been received with hardly a ripple of protest from any of the denominations represented in the Federal Council. It was not very long ago that even the mention of Church Union was anathema to almost any Protestant body. Opinion now seems definitely to be veering in the other direction. The current of religious thought appears headed towards the achievement of an ecumenical Protestantism.

The merging of several denominations in Canada some time ago was one of the major steps in this direction. The Federal Council has been a large factor in this current trend toward cooperative effort. The past few months have seen various evidences that this movement is more widespread than is generally recognized. The "Copper Belt Experiment" (*Current History*, Dec. Page 32) in Rhodesia is an outstanding example of inter-denominational unification.

Within the various sects themselves efforts are being made to coordinate the organizations toward the end that their efforts may be more fruitful. The Lutheran Churches of America are approaching the day when they will all be united. Already three organizations, *The United Lutheran Church in America; the Federation of the American Lutheran Conference*, and *the Federation of the Synodical Conference* represent all but 89,896 of the 3,194,304 confirmed members of the Lutheran Church in the United States. Reports at recent conventions of these three bodies showed "progress toward closer fellowship with other Lutheran bodies." Of increasing effectiveness is the Lutheran World Convention which meets every five years, and whose Executive Committee meets yearly.

At its last meeting, held at the Lutheran Church House, New York, this Executive Committee planned a "Lutheran Front," uniting more than 80,000,000 members of this

communion behind a very definite evangelical program for world betterment. They said: "The Lutheran Churches of the world should proceed with united front in their relations with ecumenical, Christian movements, general cooperative organizations, or Christian Churches claiming universality. * * * Recognizing that there are true Christians in every Church of whatever name, the Lutheran Churches of the world should approach the question of their relationship with general movements in the spirit of catholicity and without hostility or prejudice. While they should make no effort to gloss genuine differences they should nevertheless proceed in the sincere and humble desire to render service and cooperate in works of Christian love". Four Lutheran pastors participated as pulpiteers in the recent "Preaching Mission", along with representatives of many other denominations.

Last fall a colloquium was held at Larviik, Norway, between pastors and bishops representing the Scandinavian and Anglican Churches, in order to discover possibilities of union. The Bishop of Southwork, London, and the Bishop of Tromso, Norway, preached from the same pulpit, something that has not happened for four hundred years. Considering such themes as "The Foundation of the Church in the New Testament"; "The Dogmatic Definition of the Idea of the Church"; "The Sacraments of the Church", etc., an arrangement was thought possible which would have recognition on both sides and which might lead to closer collaboration between the Churches. More conferences are planned for the future.

Methodism seems headed for some sort of unanimity. (*Current History*, Jan., page 32; "*Church Unity*".) The different denominations which heretofore have been very loosely organized are striving to unite their component parts into more articulate wholes. When this has been accomplished, the next step to be expected is a real move towards "a closer federation than we now know." Or, "it may be union."

It would certainly seem high time that the Churches began to emphasize their "points in common" instead of their differences. All are agreed that certain truths are fundamental and that certain principles underlie righteousness, regardless of what creed it parades under. The Churches seem to realize that unless there is a teaching of Christian Ethics, and a general attempt to practice the primary Christian virtues that religion, and the Churches which are the vehicles of religion, are doomed to dissolution.

Hospitalization and the care of the sick have, on the whole, been removed from the supervision of the Churches. Education is now largely a function of the State. Public relief has to a great extent replaced the distribution of alms by the Churches. Theatres and the thousand and one forms of amusement provided commercially have eliminated the Churches as the social centers of their respective communities. The Church is being forced by circumstances to recover the "assurance of its own unique and indispensable mission."

The Function of Churches

In "*The Ghost of Caesar Walks*" (Friendship Press—page 64), Dr. Henry Smith Leiper finds six points as the common function of Churches:

"All of them agree, obviously, that the Church has the function of bringing the individual into the presence of the living God and of interpreting the life of God for the life of mankind. In the second place they all agree that the church should bring the ethical life—the moral conduct—of the individual into harmony with the will of God as revealed in history, through the Bible, and in individual experience both inside and outside the Church. Third, they agree that the Church must minister to the spiritual life of the individual by lifting from his heart the burden of a troubled conscience. * * * Fourth, they all recognize the obligation resting on the church to lift the load of human suffering, privation, and sorrow through cooperation and brotherly helpfulness. Fifth, they seek in much the same way to bring to the individual mind an integrated and consistent view of the meaning of life. Sixth, all Christians seek to do this through giving man a vision of a higher purpose which can save him from a sense of futility and make him share the creative life of God."

Toward the accomplishment of these common purposes, the churches are cooperating more than ever before. As Dr. Leiper says (op. cit. page 78), " * * * There exist new manifestations of what the old Greeks called 'ecumenical life.' They meant something that was universal, inter-group, * * * representing the whole Church. The Europeans already speak of the ecumenical movement in the churches and they refer by that term to five organizations which are working together.

For the Christian youth of the non-Roman world there is the *World Student Christian Federation* with its branches in practically every country. For specific peace education there is *The World Alliance for Friendship through the Churches* with thirty-two national councils. For federation in practical service and the study of the causes of misunderstanding, as well as for consultation on all matters of importance in the world life of the churches there is the *Universal Christian Council on Life and Work*. For the study of the possibilities of reunion or merger of all the separated churches there is the *World Conference on Faith and Order*. For the more effective development and strengthening of foreign missions there is the *International Missionary Council*, with twenty-six national interdenominational bodies related to it.

"These five are no longer wholly separate and independent, each going its own way without regard to the others. There is an informal interorganizational council made up of leaders of the five. It meets frequently to discuss the world-wide work of them all and to find ways by which it can be better done—sometimes in cooperation, sometimes separately, but always in a common spirit and consultation."

New Church Attack Reported

Whether this movement toward unification of all Christian (Protestant) endeavours, is caused by the menace of the "godless movement" or not, it is certainly being stimulated into much more rapid crystallization. From Moscow comes news of preparations for a new attack against the Christian Church in all the world, even against all religions in general. The climax in these preparations is to be reached in the World Conference of the Godless and Free Thinkers which has been called by the Central Council of the Godless in Moscow this month. It is expected that 1,600 representatives from forty-six countries will have attended this congress of the godless.

As a part of the preparations to make a new general attack, it is planned to erect a powerful radio station which shall serve atheistic propaganda exclusively. Of sufficient power to be heard at the greatest distances, this new radio station will serve not only to "enlighten" the people of different lands, but also to give support to certain strategic centers of propaganda, as for instance in Madrid, Prague, Mexico, India, and China, in order to carry out the fight against religion with a unified front. The Soviet government has not only recognized the plan but is giving it its support, according to Dr. R. Boehme, in *Das Evangelische Deutschland*.

An edition of a million copies of a propaganda pamphlet has been distributed in the Soviet Union. In the preface, the leader of the Komintern said: "There is no difference among religions for the class conscious proletariat. Every religion, especially the Christian religions are the worst enemies of communism and must therefore be completely destroyed. It is not enough in the fight against religion to give illuminating talks or write books; weapons must be used against religions also, for the Church is preparing to renew its fight against the Soviet power and also world communism. It is sometimes charged that we have destroyed the Churches and monasteries. Such charges do not affect a communist. It is not a question of a few destroyed Churches it the world is to be made communistic. On the ruins of the old world communism will build true socialism."

We may look at Russia itself for the best example of what may be expected if this propaganda becomes a reality. According to a report of the Commissariat of the Interior, there were 14,000 Churches closed in 1935. Proceedings were taken by the G.P.U. against 3,687 ministers which resulted in the death sentence for twenty-nine of them. A large number of them have been committed to concentration camps in Salowki and Siberia. Only five Churches are now available in a certain city on the Volga for a population of 830,000. Taxes on ministers and Churches are constantly being increased; if not paid the Church buildings are confiscated.

From a recent wireless dispatch to *The New York Times* by its Berlin correspondent, we learn that civil servants in that land have been ordered "to abandon the terms 'Christian, Protestant, and Catholic' in documents indicating a citizen's religion." The new categories will be "members of a religious society or ideological society", "unbelievers in God", and "without religious faith." The same dispatch reports that in an official government church year-book, soon to be distributed, the following religious statistics will appear: "Forty-one million Protestants, 20,700,000 Catholics, 500,000 other Christians, 400,000 Jews, 2,-000,000 unbelievers—belonging to no Church—and 700,000 without any faith."

REV. WILLIAM BRUCE SHARP

A DIGEST OF COMMENT QUOTED OR TRANSLATED FROM THE ORIGINAL

THEY SAY

SOMETIMES IMPORTANT ★ OFTEN AMUSING ★ ALWAYS AUTHENTIC

ARTILLERY, aeroplanes, tanks, all sorts of modern weapons are being used by the foreign volunteers—German and Italian, on the rebel side, French and above all Russian for the Government. And here in contrast to the primitive, blood-thirsty and childish character of the really Spanish civil war, there is, for the first time for eighteen years, fighting in which one can observe and compare modern instruments of war in their newest patterns. As an aviator, let me describe a fight between my friends of the Espanha Government squadron and an Italian squadron.

11:10 a.m. Three chasers. Dary, Guidez (both French) and Doherty (English), in Dewoitines, against eight Fiats, above Toledo. First come twenty minutes of ballet. Each Dewoitine draws two or three enemy machines into the area of its dance. At 11:30 Guidez begins a duel four thousand metres up against an enemy whom he has isolated. He dives and attacks from below. The Fiat is shot down. At the same moment Dary also engages. The Italian delivers a spray of fire from the side, which makes a pattering noise like a hail of pebbles falling on a saucepan. Eighteen holes just behind the Dewoitine's cockpit. The Italian pilot was four inches out—that is one-thousandth of a second. And the mistake costs him his life. Dary brings him down with thirty bullets from his machine-gun.

At 12:10 the Fiats make off, and the three Espanha pilots land after an hour of fighting at over 250 miles an hour, zooming and vertical dives, between one and four thousand metres up. They are dead beat, and don't say a word.

This was one of the daily battles which modern aircraft have been fighting for the last five months in Spain. Here is the general impression left on me by what I saw: in spite of an inferiority in numbers, a squadron of French volunteers could stand up to the Germans and Italians, because the French chasers are better machines. The German pilots fight with very great courage, but their Italian colleagues retire very readily from the field, even when more numerous than the enemy. The Russian machines, which have just made their entry in the Spanish war, seem the best of all. Experience of these facts is certainly affecting those Powers which are preparing for a European war.

All those who have been witnesses of the Spanish fighting are struck with horror and astonishment. And I must beg forgiveness, if after seeing Madrid devastated I still also have comic memories of this monstrous war. My last Spanish impression was of a militia man who stopped my car just short of the frontier. This extempore soldier was armed with a bullfighter's sword, which he brandished in front of our Ford. He had come out of a sentry-box at the side of the road. And this sentry-box had been torn from a church. It was an elaborately carved confessional.

—*The New Statesman and Nation*, December 19, 1936.

All-Russian Fascist Party

THE word "fascism" emphasizes the presence of a common foe and of common problems in the national movements of all countries—and common forms of struggle and construction, forms that are given an individual national content in every country. In a common religious spirit, a common aspiration to social justice and a common struggle with atheism, internationalists and exploitation we find their affinity, while their difference is in their national elements.

We are not simply fascists of the world, we are Russian Fascists filling the world-wide fascist form with our own Russian national content. As Russian National Fascists we want the creation of a great Russia,—the support of the Russian Nation, and the carrier-on of its glorious Russian history.

The Russian fascists are the nationalists of Great Russia, fighting for God against atheism, for Russia against the U.S.S.R., for the organiza-

Glasgow Record

The Australian Senate suggests the adoption of a common language as a means of fostering peace—and in Spain there certainly seems to be need for it.

tion of a new National-Labor Russian State, true to the glorious traditions of our Russian past.

What are our relations to the dynasty of the Romanovs? Under the rule of that dynasty Russia grew from the State of Moscow into the Great Russian Empire. Therefore our attitude to the representatives of this dynasty can only be one of the most profound respect.

For us, every representative of this dynasty is sacred.

And I believe in the common sense of the people, especially if it is directed by the firm hand of fascist education. God will not permit the creation, at the coming National Assembly, of a new dynasty, a source of constant trouble and difficulties in the future.

The relations of the V.F.P. (All-Russian Fascist Party) with other emigrant organizations are determined by the principle: He who is against the communists is our friend. He who is against the communists, the masons and the Jews is our brother. . . .

What are our relations with the "Sei-Ho-Hoi"? "Sei-Ho-Hoi" is the official people's organization of Manchukuo. It may be called the Government Party of the Empire, or the Manchurian fascists.

"Sei-Ho-Hoi" is the Manchurian sector of the worldwide anti-communist front, while the V.F.P. is the Russian sector of that front.

In so far as we live in Manchukuo we enter into the Manchurian front, preserving, at the same time, our individuality.

The relations of the V.F.P. with the "Sei-Ho-Hoi" are determined by this position. We welcome our friends and brother-fascists of the Manchurian Empire as our closest allies. . . .

Our attitude towards party struggle of any kind is definitely negative. The old political parties have brought Russia to the abyss.

In every country there should be only one National Party of the awakening of all the emigration, a Party of the National Revolution,—an All-Russian Fascist Party. . . .

At the present time, there are organizations of the V.F.P. everywhere where emigrants live thruout the world. There is no country in the world where there are no Russian emigrants and where, among them, there are no Russian fascists.

There are sections of the V.F.P. in Harbin, Buhedu, Hailar, Imianpo, Iabloniya, Handaoktse, Hsinking, Dairen, Shanghai, Tokio, Iokahama, New York, San-Francisco, in Brazil, Argentine, the Balkans, Italy, Switzerland, Germany. There are districts in Anda, Tsitsihar, Anganchi, Mukden; in Australia, Paraguay, and Asia Minor, with groups in Kagosima, Peiping, Egypt, Morocco, Spain, England, Poland, Czechoslovakia, Latvia, and Greece.

How is the realization of the fascist three-year plan progressing?

All the organizations of the V.F.P. work ceaselessly to hasten the sacred hour of the All-Russian liberation. Our fascist three-year plan is being steadily brought into life.

The recent events in Russia undoubtedly bear in part the seal of fascist activity.

Secret, separate, oppositional, national-revolutionary fascist nuclei are multiplying, and preparing the common explosion by terrorism.

For reasons easily understood, I cannot disclose the means and dimensions of the secret activity of the V.F.P. But the unforgettable names of our fallen co-fighters, the piercing shrieks of the Soviet press directed, not only against world fascism, but against our V.F.P. in particular, all the latest measures taken by the Stalin-Kaganovich regime, the open persecution of our organizations in those countries where Soviet or Jewish influence is strong, sometimes at the request of Soviet representatives, and, finally, the furious activity of the agents of the G.P.U. in the emigration directed against the V.F.P., all of this put together sufficiently demonstrates our activity.

We are on the right road. Our foe suffers losses and exhibits anxiety. Our movement is not stationary. It is *going forward*; and this motion must be accelerated.

—K. V. Rodzaievsky, head of the All-Russian Fascist Party, before meetings of Russian emigrants in Manchukuo, as reported by the Russky Nabat, New York, November, 1936.

A Manchurian View of the Soviet

FROM 1930, the G. P. U. began to exile the peasant's families to the forests of the far north. Numerous people were banished especially in March, 1930. Overfilled trains carried these innocent people to their death. All their farms were taken by the G. P. U. and handed over to the collective farms. Many persons were shot while many others were sent to the concentration camps. Everybody was sent in closed freight trains, the men together with the women, 35 to 40 persons in a car, without any comfort. At the stations they were given hot water and once a day soup made of horse meat or rotten fish. They were transported in a roundabout way, so as to avoid the principal towns, and were strictly forbidden to speak at the stations either with workers or with the crowds. The cars were guarded by a military convoy of the G. P. U. No one was allowed to come near the cars at the stations.

Beginning from Murmansk and ending with the Yakutsk district, the whole north was overcrowded with such innocent exiled peasants. More than 10,000,000 of the peasant population were sent to the north. Newspapers said that 10 per cent of the total population consisted of "kulaks," who had to be exiled. Many of the youth left for Poland. Several parties consisting of from 15 to 20 young men, armed with rifles and pistols, crossed the frontier and went into Poland during a day. The whole of the peasant population wept and said that God had punished them for their sins.

Before the banished peasants came to the places of their exile, the Communists conducted their underhand agitation among the population. They called meetings and told the people that the Samoyeds (people who eat everything) will come to these places and that, therefore, there was cause to fear them. These Samoyeds would kill the peasants and eat their meat. One should not speak with them. Later, when the population learned that the Communists had deceived them, they were very sorry and tried by all means to help the exiled people. Often they brought bread, eggs and milk. All the exiled persons were accommodated in prepared quarters beforehand, in the villages, separate from the local population.

On the day after the arrival, all the able-bodied men from 16 to 60 years of age and the women from 16 to 55 years of age were sent under guard into the forests.

In spite of the cruel regime, all the able-bodied women would run into the villages in autumn to the harvest campaign to earn bread for themselves. The G. P. U. would inspect the villages but the peasants would speak against the special colonists saying that they did not work at their fields and that they did not see them anywhere.

From 1933, the life in the special villages became unbearable. Instead of 8 kg. of flour, they began to give only 4 kg. to every disabled person. It became impossible to earn bread from the peasants, for the peasants themselves were hungry and starving. Though the wages of the special colonists in the forests were increased, provisions were given out for an earned rouble and with this rouble it was impossible to buy anything except vodka. In the cooperative shops there was nothing to buy not only of provisions but even of manufactures, clothes or shoes. The disabled families and the families with only a few able bodied persons began to starve. Nearly all of the special colonist families began to use various substitutes instead of real provisions. Bread was made of flour mixed with the dry leaves of the limetree, chaff, empty wheat ears, etc. Their bodies began to get swollen, especially their extremities. Many ran back to their nativeplaces. Everywhere they were caught by the G. P. U. and arrested. All the able-bodied were tried in the concentration camps, and the disabled were sent back to their respective villages under guard.

But only a few returned to the villages, as the majority died in the prisons or on the way, while the others were sent to the penal units for 20 to 30 days for trial as runaways, from which they never returned. The years 1933-34 were the most terrible years of all. People died like flies, not only the special colonists but even the local population—the collective farmers. In February, 1934, in the special village of Ustie-Onolva, of the Kochevsk region, of the Sverdlovsk district nine horses died from meningitis, a new disease which was not yet well known. As the disease is very infectious kerosene was poured over the horses and they were

Il Travaso, Rome

TRIALS OF A COMMUNIST

"What is the matter?"

"The government troops got hold of me, made me wear a collar, dress well, eat better and drive a car."

buried. At night the special colonists dug them out, took the meat home, boiled and ate it. It was said in the village that Moscow heard about this and sent an order to Sverdlovsk (Ekaterinburg) to investigate the case. In August, 1934, a special commission of the party came to the special village of Usti-Onolva. The commandant of the District Branch of the G. P. U. and the two G. P. U. agents from Sverdlovsk came; they convinced themselves of the facts of the case and went back.

Beginning with 1935 with the abolition of the card system, life became a little easier. One had enough bread to eat; other provisions such as groats, fish, sugar and vegetables were there, only very rarely, and these were given out by the food card system in limited quantities.

The G. P. U. and the Communists in the cities used to say that the peasants were transported according to their wish, that is, voluntarily. The places where the "kulaks" were sent were called special villages, and the people were called special colonists. In 1934, the name of "special village" was changed to "labour village," and the people were called labour colonists. But by this nothing was improved. Everywhere the G. P. U. and Communists told the population that the "kulak" was the most cruel enemy of the Soviet Union, though temporarily his secret destructive work had been halted but when given a chance he would do great harm. All the exiled Russians are evidently enemies of Communism. They are waiting only for a suitable moment and a push from the outside to enter their last decisive struggle.

—*Manchuria*, Nov. 1936.

SHAM DEMOCRACY

Britain is now a satisfied nation, but she has no right to be a self-satisfied nation. We want nothing because we have everything, but we can claim no moral superiority for that reason. Even our boasted tolerance and democratic spirit may be more closely bound to wealth than we would like to think; for the rich, virtue is always easy. In the past we acquired a great empire by force and the threat of force; to-day we deplore such methods in others, deplore it even in ourselves, but do not offer to share the booty. It is as if a successful gambler were to rise with his winnings from the table and say to his fellows: "Not only do I intend to stop playing but from now on gambling will be considered highly immoral. I will, however, keep my winnings."

—*Manchester Guardian*.

Even at its height democracy was never much more than a condition or an effect derived from the commercial activity which characterized the end of last century and the beginning of this. All this tolerance, freedom of speech, etc., corresponds in a way to the suavity and good manners of the prosperous middle-class family as opposed to the plebeian vulgarity of the proletariat. But the war and the ensuing crisis broke the back of liberalism, and in country after country vested interests are making it clear that dividends and profits are more important than charm or good manners.

—*South African Opinion*.

JAPANESE TENTACLES

Regardless of Dutch import barriers and intermittent trade parleys, we shall probably see Japan continue to include the Netherlands Indies in the ever widening orbit of her expansionist activities. For the present, these activities are confined to the economic sphere. If in different conditions they assumed a political character, how could the Netherlands protect their possessions? On whom could they rely for assistance? They might hope that Great Britain would play the role of rescuer. That the British are aware of the danger threatening them in this quarter seems to be shown by the speed with which they have completed the great naval base at Singapore. They are concerned by many of Japan's activities and projects along the mainland of Asia and Australia, by her rumored desire to purchase Macao from Portugal, and by the plan to construct a canal through Siamese territory that will permit her to enter the Indian Ocean without passing the fortifications at Singapore. The strategic importance of the Dutch insular possessions to Great Britain is plain. Today as never before the Dutch feel that they can look forward with assurance to British support in the event that their hold on the Indies comes directly into jeopardy.

—*Foreign Affairs*, January, 1937.

CHINESE PEAR

Some thoughtless idiot threw the core of a pear out of an upper window of the Happyland dance hall on North Szechuen Road. This missile might have blinded a child in the street below. Instead it hit a Japanese marine in the neck. A tremendous uproar took place, all rather out of proportion with the importance of the incident, and a frantic and futile search was made for the culprit. The Chinese proprietor of the dance hall, Hu Yung-nien, was charged with responsibility for the offense and in connection with a written apology that he submitted to the Japanese Special Naval Landing Party, he was obliged to give a pledge that he would call daily, as long as he lives, at the headquarters of the Landing Party to report on the progress of his search for the fellow who threw the pear core out of the window.

—*China Outlook*, October, 1936.

MID-WINTER SALES

A message from Berlin explains that hats, umbrellas, babies' clothes, towels, and carpets are among the articles which are not to be sold more cheaply at the January sales in Germany, for, were such a state of affairs to be allowed, less cotton would find its way into explosives. The bowler hat, more emblematic of peace than even the olive branch, apparently contains ingredients which make it anti-social when the eyes of the State are turned towards rearmament. Oddly enough, flags are also on the "no-reductions" list, but perhaps all Germans are by now well enough equipped with flags, and it would hardly be patriotic to buy a Swastika at a bargain sale. We are rearming in England, too, and if, next January, English shoppers are as usual offered the opportunity to purchase "greatly reduced" umbrellas and baby clothes, the contrast will possibly be saluted in Germany as yet another example of this country's unfair share of the world's raw materials.

—*Manchester Guardian.*

THE JAPANESE DEMUR

Nazi Germany is making rapid progress and will be an important factor in world politics. It features a spiritual movement. The ideal of New Germany is to bring together spiritually all members of the German "race." It is but natural that the Nazis, led by Reichsfuehrer Hitler, should strongly oppose both Catholics and Protestants. They are after the German spirit which inspired their forefathers. The Germans today have little faith in religion, which Professor Ernst Bergman, a leader of New Germany, says is fit only for the sick or for those who have lost all interest in life.

The Germans of today admire Japan. They think that the Japanese are a perfect entity spiritually. We could hope that the Japanese were as the Germans think us to be. To us it seems that we have yet to find ourselves spiritually. Buddhists, Christians, and the adherents of Tenrikyo, Omotokyo, and Hito-no-Michi are seeking to influence a country whose residents should be guided by one idea, that of making the earth a fit place for gods to live in. It is time for the Japanese to awaken.

—*Kokumin,* Japan.

BRIBERY FOR BULLETS

Generalissimo Chiang Kai-shek, China's dictator, and Governor Yen Hsi-shan of Shansi Province, jointly issued a remarkable appeal addressed to the Mongol and Manchukuoan forces that have been attacking Suiyuan Province.

"Being Chinese, like ourselves, are you willing to expose the graves of your ancestors to devastation by other people and to let your sons and grandsons be their slaves?" it asked.

Il Travaso, Roma

THE PAN-AMERICAN LEAGUE
Roosevelt: "This is the new palace. Here is the reception room. here are the offices and here are the spacious rooms in which to begin our law suits."

"If you persist your iniquities you will be abandoned by 400,000,000 compatriots. Wake up, compatriots! Return immediately to the Chinese Army."

Simultaneously with this circular, an astonishing list of "rewards" was offered for those surrendering and returning to the Government fold, namely:

Army commander—50,000 Chinese dollars.
Division commander—50,000.
Brigadier—30,000.
Colonel—10,000.
Major—5,000.
Captain—2,000.
Private—10.
Pilot, with plane—20,000.

In addition, for each anti-aircraft gun 10,000 is offered, for a tank 3,000, for a machine gun 1,000, for a rifle 30 and for a revolver 20.

—*New York Times.*

JAPANESE RULE

The Japanese in Manchuria literally depend on bayonets for their power. The 130,000 Japanese troops in Manchuria are kept busy fighting anti-Japanese detachments throughout the country. Not only they, but 100,000 Manchurian soldiers and numerous police and punitive expeditions as well are occupied in the same way. Nobody in Manchuria supports the Japanese. Even the reactionary princes are beginning to oppose them.

The population of Manchuria has been reduced to the worst possible plight. The peasants have been ruined. The best peasant lands are being seized by the Japanese. The cultivated area has been reduced by over 600,000 acres.

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THE WATCHED POT

The situation in the cities is just as bad. Constant wage cuts lead to economic and political strikes. Strikes have lately occurred in Harbin, Fushung and other industrial centres of Manchuria. Opposition sentiments among the Chinese bourgeoisie have been growing as the Japanese have captured the most important economic positions in the country and are driving Chinese capital out of trade and industry.

The preparation of the Manchurian vantage ground exacts a heavy toll in Japanese lives. According to data of the Japanese war ministry, during the first four years of the occupation alone, 2,884 officers and privates were killed, 1,316 died of diseases, 11,310 were wounded and 140,000 were sick or suffered from frostbite.

Everybody knows that during the last five years the Japanese provocations on the Soviet and Mongolian borders have caused serious tension in the Far East. Many times attempts were made by the Japanese militarists to cause a war between the U. S. S. R. and Japan. It was only the Soviet Union's desire for peace, the consistent peace policy pursued by the Soviet Government, which prevented the Japanese war incendiaries from starting a conflagration.

This does not mean that the Japanese militarists have given up the thought of making war on the U. S. S. R. As Stalin stated in the conversation with Roy Howard, Japan represents a zone of war danger in the East. The Soviet Union is therefore keenly watching the work of the Japanese warmongers, and is prepared to repulse any attack with crushing force.

—*Moscow Daily News.*

FIRST STAGE

Señor Companys, President of Catalonia, presided over a great meeting in Barcelona on Monday officially to put into operation workers' control of industry in Catalonia.

The need for moral discipline to overcome the difficulties confronting the new economic structure was emphasized by Señor Jose Jimenez, member of the Syndicate Control Committee. Disorder must end, he said. They must be prepared to act with energy and, overriding human sentiments and obstacles, prevent the downfall of their revolutionary conquests.

The collectivist decree was outlined by Señor E. Ruiz, economic department representative, as an interregnum between bourgeois economy, which had disappeared, and to-morrow's Socialist economy.

One of their most grave problems, he said, was that they did not have control of central banks running the Catalan banking system. Without being able to nationalize banks it was improbable that they would be able to socialize industry. The transformation must be carried out by degrees. A small industrial credit and commercial bank of Catalonia had been founded as provided by the collectivist decree. It would collect profits, give credits, and cover losses.

Monopolies affecting the Generalitat must be nationalized and those affecting town councils municipalized. Salaries would be proportionate to production. Industrial organizations would be set up to avoid centralization.

Señor Juan Fabregas, economy councillor, described the collectivist decree as the instrument for the initial step in the progress of their civilization. The ultimate aim was the placing in the hands of the proletariat the sources of the country's riches for equal distribution among productive citizens.

"We are carrying out an experiment unprecedented in the world to-day," he said. "The finished work will have far-reaching historical significance. The collectivist decree is a new conception of life. We are in the first revolutionary stage."

—*Manchester Guardian.*

INDIA'S FEMINISM

Feminism, as organized in the All-India Women's Conference, is in its ideals and achievements a noteworthy specimen of contemporary creative India. It is indeed a chip of the world-feminism of to-day and furnishes but another link in the chain of modern values, social and spiritual, such as serve to establish a liaison between the East and the West. The lines of evolution embodied in Indian feminism, young as it is, are but following at some chronological distance those traversed by the adult Eur-American feminism during the

previous decades. And this is but in keeping with the socio-cultural equations between India and the pioneers of modernism in the West.

The very fact that feminism like many other modernisms has arisen in Eur-America is an index to the great reality that the womanhood of the West was not used to equality or identity of rights and obligations with the other sex. And the age of Western feminism also can be told within precise limits. France, Italy and Spain, to mention a few countries, do not see eye to eye with England in regard to the claims of feminism. Teutonic (Anglo-Saxon) America again, cannot be taken as the representative of Latin America, in this regard. The latter follows France, Spain and Italy in the main. Nay, in the U. S. A. there are States, say, like Alabama, where guardianship of children belongs by law exclusively to the father. The mother cannot there become the guardian of children. In the New England States the wife's earnings belong by law not to herself but to her husband.

That the Indian women, especially among the *intelligentsia*, bourgeoisie or upper ten thousands, have already succeeded in assimilating the categories of world-feminism shows only that the womanhood of India, in part at any rate, as in Eur-America, can be depended upon as constructive workers and thinkers in schemes of world-wide importance for mankind. We need not overlook the consideration that women in India have perhaps some special disabilities. But it is entirely wrong to believe that the total womanhood of India lives in seclusion, behind the veil (*purdah*). In reality, Indian women are as active economic agents as their sisters anywhere on earth. Indeed, thirty per cent. of total Indian womanhood is gainfully employed.

The student of comparative jurisprudence and sociology is not entitled, however, to make too much of the disabilities of Indian women. Western tradition in regard to women's property rights is not something enviable. The Hindu law of *Stridhana* (woman's special property) was not surpassed in its liberal features by the Institutes of Justinian, the Code Napoleon and other European laws until the Married Woman's Property Act was passed in England in 1886.

Birth control has been considered by the Conference to be an imperative necessity on account of the "low physique of women, high infant mortality and increasing poverty of the country." The opinion has been propagated that men and women should be instructed in methods of birth-control and the suggestion has been made that municipalities and local bodies ought to open proper clinics. It is to be observed that the Conference has not cared to associate the birth control propaganda with the conventional scare of overpopulation.

In politics the Conference stands for "perfect sex equality" and has demanded that women should possess the citizen rights of men.

—*The Calcutta Review.*

RELIGION DOOMED

We hear of Herr Hitler's demand of his lost dominions. But should they be all returned tomorrow, would Germany sheathe her sword and settle down to the peaceful pursuits of her industrial development? It does not seem likely. That Germany is now self-conscious of her own supremacy in the field of science and art—*Deutsche uber alles*—and wishes to be the dictator of the world, is only the barest truth, and it is at once the omen of her strength and of her weakness.

The parliamentary institutions are discredited as slow and evolving a policy of the ignorant rabble. A wise dictator is the best of parliaments but he must be wise, let the people beware. The conflict between democracy and autocracy will probably result in the ultimate triumph of the former, but for the nonce all central and southern Europe is in the hands of its dictators, and so will probably be Spain before these lines appear in print.

In the region of religion the neo-renaissance has taken a different turn. The authority of the Church has been rudely shaken, and at the present moment Spain is butchering bishops with the same gusto England used to burn the witches only a century ago. In Italy which is the seat of the Papal throne I found the Church dignitaries shaking their heads at the mention of religion. It is clear that the days of Christianity are numbered, and with it will disappear all institutional religions. But man can never live without religion. He will invent new gods when the old ones have died a natural death.

A strong movement is afoot to fashion a universal religion. One is to reconcile all the institutional religions by extracting from them a common measure of agreement, and another is to create a new universal cult with or without the postulation of god. I had a long discussion with some of the leading lights of Germany and their view appeared to favour the adoption of a rationalist faith, such as Buddhism is, without a god, without priests and without a heaven to bless or a hell to damn its followers. But as one of them said to me: "Buddhism is a great religion, but it is a pacifist, which will never do for Nazi Germany."

There is no certain direction in which the religious revolt is moving; but one thing is certain: Europe is thoroughly agitated as must be any country on the eve of its renaissance. I believe that the next war for which all countries are now feverishly preparing cannot be staved off for long. I should be surprised if we do not see a great conflagration before two years are out. That conflagration might be delayed but it cannot be averted; and when it does come it will not make the world any happier than it has been in the past; nor is the sum total of world's happiness ever to be augmented by the cult of force. But "Force," said Herr Hitler, is the only chastener of mankind.

– *Sir Hari Singh Gowr, Nagpur University.*

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RUNNING WILD

MEXICO'S LAND DEAL

The Santa Teresa plantation, one of the largest in the Laguna Region expropriated by the Government, was transferred in fee simple to veterans of Pancho Villa and other early leaders of Mexico's revolution. At a dinner given to President Cardenas and the new owners of the vast estate, Enrique Zunzunegui, in behalf of the former owners, congratulated President Cardenas in warm terms and wished the new collective farmers "well deserved prosperity."

Señor Zunzunegui stated that he and his former business partners are fully satisfied with the terms on which the expropriation has proceeded, and that they view the carrying out of the President's policy as an excellent effort to create higher living standards for the masses.

He praised especially the attention which the President has given to every detail involved in the change from one system of land ownership to another.

Each veteran was given a lot of land registered legally under his own name; payment is to be made individually by each new owner on the basis of the value of the land received as declared in the public records for tax-paying purposes. The payment shall be made in yearly instalments, no instalment to be greater than 15 per cent of the harvest collected. The banks handling the transaction are the National Ejido Credit Bank and the National Agricultural Credit Bank, through which the Government will also purchase from the former hacienda owners the machinery and other equipment for processing cotton and wheat, the main crops there, to be given the veterans.

In the course of the dinner the Scripps-Howard newspapers "information" to the effect that former owners of expropriated land would never be paid and that they cried they had been robbed, and the story of farm hands being on the verge of starvation because now hacendados are not paying them wages, were scored and made the butt of much joking and merry-making.

The contract was signed by the various parties concerned and by the President of the Republic in behalf of the Executive Power sponsoring the transaction.

—*Mexican News Letter.*

SEEN IN SPAIN

Family hatreds are proverbially the fiercest—the furious jealousy roused by the elder brother to whom has fallen the richer inheritance, the loathing a girl feels for the unpardonable prettiness of her younger sister. Greater riches, greater beauty—when they belong to strangers—do not excite the same ferocity. In Spain now, one notices this. On the Popular Front side you prefer your parish priest to the one in the next village—prefer him as a person to kill. And similarly, when aviators on the Government side are captured by the Nationalist troops, it is the Spanish pilots, not the foreigners, who are tortured with the greatest savagery. It was a Spanish pilot whose body, hacked into pieces, was thrown down in a box on to the city from a rebel aeroplane the day I left Madrid.

In this war there is chivalry too, which is not incompatible with the worst cruelty. On one of the last days of the siege of the Alcazar, where the Nationalist cadets were besieged, a truce was arranged so that a bishop from Madrid could give his blessing to the dying men in the vaults of the fortress. His duty discharged, the bishop brought together some insurgent officers and some leaders of the Government militia. He disposed the two parties to right and to left of him, and began preaching peace and good will. His homily was interrupted by the loudspeaker of the Alcazar, tuned in to Seville, which started playing dance music. At once the two parties began hurling insults at each other over the bishop's head, and next they began to vaunt the doctrines for which they were fighting.

A Nationalist found an unexpected argument:

"Our faith is nobler than yours, for we still continue to fight after more than ten days without cigarettes."

This boast caused a sensation among the Communists, who at once threw to the Fascists all the cigarettes in their pockets. They even sent for further supplies to a tobacconist round the corner.

Il 420, Florence

MADRID DURING THE BOMBARDMENT
"What is he doing?"
"Sleeping on the fifth floor."

How could they leave to the enemy the advantage of privations which made them heroes?

"More than that," the rebel continued, "we have been fighting for a fortnight without being able to shave. Just look at our beards!"

Again an argument which caused consternation. And a militia officer shouted to an urchin: "Pedro, run off to my wife and get three packets of Gillette blades. Tell her I sent you, and look sharp."

When the boy returned, the Communists threw the razor-blades to their enemies; and these scrambled on the ground to pick the packets up, and losing all restraint, began fighting among themselves. The bishop resumed his entreaties:

"My children, you divided the cigarettes like good Christians. So what makes you fight for Gillette blades?"

No one listened. The truce ended, and the fighting began once more round the Alcazar.

—*The New Statesman and Nation*, December 19, 1936.

JAPANESE INFLATION

The strength recently displayed by Tokyo Exchange shares, reflecting the general market tendency, may have a substantial economic background, or merely may be the early signs of a period of malignant inflation.

In spite of the low money rate tendency which has prevailed under Dr. Baba's financial rule; deposits in banks have continued to increase while their loans have been falling consistently since the February 26 incident. Bankers have been cautious in extending loans. Simultaneously, the rise in Government bond prices as a result of the low money rate tendency has kept this field closed for profitable investment. The Bank of Japan resumed its sale of bonds in September and has been continuing this operation in the open market ever since, but there has been no exceptionally heavy demand for the national bonds up to now. In fact, most banks are inclined toward investing in other quarters and even selling national bonds.

Many critics are predicting a period of inflation as a result of the cheap money tendency and the expansion of defense expenditures necessitating a vigorous increase in the amount of deficit bonds. If these bonds could be satisfactorily disposed of on the market, the Bank of Japan may be able to absorb a large portion of the idle funds, thus preventing an increase in currency circulation, but, under prevailing circumstances, such an eventuality is doubtful. If most of the

new bonds have to be held by the Bank, inflation will be unavoidable.

The Finance Ministry is rightly trying to avoid a depreciation of currency as much as possible. but it is unfortunate that in so doing a section of the authorities is advocating closer control of the stock exchanges. Acquisition of this right would not help the Finance Ministry to prevent inflation if at the same time the main causes of this tendency are left unremoved.

—*Kokumin*, Japan.

DISILLUSIONED FARMERS

Farmers the world over like to talk about Peace in a sentimental way, and then stand for highly nationalistic trading policies which inevitably lead to war. Farmers furnish their sons as cannon fodder in time of war, and suffer far more from the inevitable post war deflation than any other class. Farm hatred of war is so great, I am sure that as farmers come to understand more and more the fundamental requirements of a safe Peace for the United States, they will be willing to make their contribution.

The danger of the United States getting into a serious war comes from the fact that we export goods to Europe and when war comes one side or the other interferes with that trade. Our farmers seeing this danger and not liking certain types of foreign governments have urged that we withdraw as much as possible from Europe and Asia. On the basis of this theory the thing to do would be to build up our trade more and more with those of our near neighbors who have similar political ideals.

Our twenty sister Republics and Canada have governments similar to ours. Can we trade more and more with Pan America so as to furnish an economic foundation for the aspirations which unite us? That farmers think so, is indicated by the Public Opinion Poll. Sixty-three percent of the farmers voted for a Pan American League which was a higher percentage than any other class.

The farmers are disillusioned about Europe and the Geneva League because they feel that both are symbols for war, but they like the idea of increasing cooperation among the American Republics.

—Henry A. Wallace, Secretary of Agriculture.

Morning Post, London

NEW DIPLOMACY (ACROSS THE POLISH CORRIDOR)

1. "No German pigs admitted here."

2. "Outside all gangsters and disgusting rats."

CHRONOLOGY

Highlights of Current History, Dec. 11—Jan. 10

DOMESTIC

DECEMBER 11—Workers clash with strikers at plant of Sun Shipbuilding and Drydock Company in Chester, Pennsylvania; one killed, 100 hurt.

Great Britain defaults War Debt payments due United States December 15.

Harry L. Hopkins, WPA Administrator, announces 93,770 dropped from work projects between November 28 and December 5; 198,350 dropped between November 7 and December 5.

DECEMBER 12—George L. Berry, Coordinator for Industrial Cooperation, plans quick action on new NRA bill; drafts proposed legislation embodying 3-point program for industry adopted by Council for Industrial Progress.

DECEMBER 13—Robert Fechner, director of the Civilian Conservation Corps program urges "permanent" C. C. C.

Pacific Coast shipowners estimate loss caused by West Coast maritime strike at between $311,750,000 and $350,000,000.

DECEMBER 14—United States Supreme Court orders Duke Power suit re-tried in lower courts; court ignores constitutional test of New Deal policy.

New York employers ask rehearing of New York State Job Insurance law before full United States Supreme Court; law ruled constitutional on split decision.

France defaults War Debt payments due December 15; note expresses hope improved conditions will permit opening of negotiations.

Electoral College certifies reelection of Roosevelt and Vice President Garner; official notification January 6 in joint session of Senate and House.

Federal District Judge John J. Gore, at Nashville, grants temporary injunction to 19 utility companies curbing expansions and extensions of power facilities of TVA pending constitutionality suit.

Crew of Spanish freighter *Navemar* defies United States Court order; refuses to surrender ship held in New York to Spanish owners.

DECEMBER 15—President Roosevelt returns to White House after South American trip; declares "far reaching" accomplishments in sight at Buenos Aires parley.

Joseph P. Ryan, president of International Longshoremen's Association repudiates support of Harry Bridges, president of West Coast Maritime Federation.

Edward F. McGrady, Assistant Secretary of Labor, announces "tentative accord" on employment methods reached in West Coast conference.

DECEMBER 16—Harry Bridges, West Coast maritime leader, at Madison Square Garden, New York, declares Pacific Coast strike is won; expects leaders will refuse settlement unless demands of Atlantic and Gulf port seamen are granted.

Dr. Glenn Frank defies forces seeking to oust him as University of Wisconsin president at Board of Regents session; test ballot indicates Governor La Follette controls sufficient votes to force change of administration.

DECEMBER 17—National Labor Relations Board attacks employee representation plan of Carnegie-Illinois Steel Corporation; Board charges company interfered with employees' right to join union of their own choice.

DECEMBER 18—John L. Lewis presses campaign to unionize mass production industries; United Automobile Workers of America, C. I. O. affiliate, demands collective bargaining agreement with General Motors Corporation; strike may be called if company refuses to negotiate.

DECEMBER 19—Ship strike rivals appeal to nation; Roger D. Lapham, president of the American-Hawaiian Line, and Joseph Curran, Atlantic Coast strike leader, speak over radio; West Coast negotiations deadlocked.

DECEMBER 20—Senator Peter Norbeck, of South Dakota, dies.

Glass shortage feared as strikes continue in glass plants.

Steel employees' representatives, at Pittsburgh, form "C. I. O. Representatives' Council"; propose national steel workers' convention and demand $5 minimum pay for labor.

DECEMBER 21—United States Supreme Court upholds 1934 joint resolution authorizing President to proclaim embargoes of arms and munitions against Bolivia and Paraguay, combatants in Chaco war.

Secretary Wallace announces inclusion of Resettlement Administration in Department of Agriculture, effective January 1; first step in consolidating Government agencies.

DECEMBER 22—Federal Circuit Court of Appeals, in New Orleans, upholds authority of National Labor Relations Board to force employers to bargain collectively with workers.

William S. Knudsen, executive vice-president of General Motors Corporation and Homer Martin, president of United Automobile Workers of America, confer on troubled labor situation in automobile industry.

DECEMBER 23—"Sit-down" strikers of Kelsey-Hayes Wheel Company, in Detroit, vote acceptance of company's proposal; will return to work.

Striking employees of branch factory of Aluminum Company of America, in Detroit, accept terms arranged by Federal Conciliators.

Simeon D. Fess, ex-senator from Ohio, dies.

DECEMBER 24—United Automobile Workers of America demand "general conference" with General Motors Corporation officers to discuss collective bargaining.

DECEMBER 25—Arthur Brisbane, editor, dies.

United States, in conjunction with Power Authority of New York State, begins drive against public utilities for ratification of St. Lawrence Pact.

PWA reports money for 25,000 projects costing $4,071,750,926 allotted by Federal and local governments.

DECEMBER 27—Charles Mattson, 10 year old Seattle, Washington, boy kidnaped; first major kidnaping since spring of 1935.

DECEMBER 28—"Sit-down" strike halts operations in Cleveland, Ohio, plant of Fisher Body Company, General Motors subsidiary; 7,000 workers affected by United Automobile Workers of America strike.

Neutrality law loophole permits $2,777,000 shipment of airplanes, airplane engines, and parts to Spain; State Department issues license as Congress failed to include "civil war" in Neutrality Act provisions; shipment consigned to Bilbao, loyalist stronghold.

DECEMBER 29—President Roosevelt gives approval to proposed neutrality law amendment.

Wynham Mortimer, international vice-president of United Automobile Workers of America, rejects local settlement of "sit-down" strike at Fisher Body Company plant in Cleveland, Ohio; "problem national in scope and must be treated as such," he asserts.

DECEMBER 30—State Department voices regret to foreign nations of licensing plane shipment to Spain.

Two Fisher Body plants at Flint, Michigan, closed by "sit-down" strikes; 6,000 workers affected; Chevrolet assembly plant in Flint closed for lack of materials; automobile-parts plants curtail production awaiting outcome of strike.

Two affiliated dress companies ordered back to New York City by State Supreme Court Justice Phillip J. McCook in suit brought by union; companies must fulfil union contract, rehire union members, pay damages to employees for loss of income.

DECEMBER 31—"Sit-down" strikes spread in General Motors plants; seven plants closed and five affected by strikes or shortage of necessary parts; 33,400 workers idle.

William S. Knudsen, executive vice-president of General Motors, will not negotiate while strikers occupy plants; refers collective bargaining discussion to individual plant managers.

Coal strike seen as John L. Lewis, president of the United Mine Workers of America and C. I. O. head charges coal operators with breaking present agreement.

JANUARY 1—Joseph P. Ryan, president International Longshoremen's Association, declares union men will not handle freight of American-Foreign Steamship Company signing agreement with striking seamen.

JANUARY 2—Circuit Judge Edward S. Black issues temporary injunction to oust strikers from Fisher Body plants in Flint, Michigan. William S. Knudsen, executive vice-president of General Motors, reiterates statement that no negotiations will be carried on while strikers occupy plants.

JANUARY 3—American Association for Social Security urges drastic revision of old-age insurance and unemployment insurance sections of Social Security Act.

"Sit-down" strikers defy injunction to vacate Fisher Body plants in Flint, Michigan; newly created strategy board authorized to call general strike.

JANUARY 4—Alfred P. Sloan, Jr., president of General Motors Corporation, refuses to deal with auto union; insists issue is control of plants.

United States Supreme Court, in unanimous opinion, reverses conviction and seven-year jail sentence of Dirk de Jonge, Oregon Communist, accused of violating State's Criminal Syndicalism Law.

JANUARY 5—Two General Motors plants at Jonesville closed; estimated 44,500 General Motors' workers are idle.

Seventy-fifth Congress convenes.

JANUARY 6—President Roosevelt, in message to Congress, challenges Courts to join in march for social progress or risk curb on powers; holds Constitution is adequate as it stands and sees no need for amendment.

Homer Martin, president of United Automobile Workers of America, asks impeachment of judge who issued injunction against strikers; charges judge owns $219,000 of General Motors stock.

Congress passes arms embargo to halt war materials shipments to Spain or to other countries for trans-shipment; technicality prevents effective ban until January 8.

United States to investigate charges that vessels lacking legal quota of trained seamen and officers have been cleared from port of Boston.

JANUARY 7—Dr. Glenn Frank ousted as University of Wisconsin president.

Twenty-one plants, 56,323 workers idle in auto strike; United Automobile Workers of America drops sole bargaining agency demand after conference with Governor Murphy, of Michigan; idle workers, resenting strike, form Flint Alliance; General Motors plans closing of three Chevrolet factories affecting 20,500 workers.

Sentiment for constitutional amendment to cover President Roosevelt's social legislation objectives increasing in Congress.

West Coast maritime strike negotiations continue.

JANUARY 8—President Roosevelt, in message to Congress, predicts "layman's" balance of budget in 1938; complete balance and resumption of reduction of public debt seen for 1939.

President Roosevelt reveals intention of halting proposed $40,000,000,000 old-age reserve fund and putting pension payments on pay-as-you-go basis.

Automobile workers' union strategy board divided on answer to General Motors ultimatum

to vacate plants; eight craft unions of A. F. of L. support General Motors; Flint Alliance claims membership of 15,000; two more plants close; 88,700 workers now idle.

JANUARY 9—Governor Murphy, of Michigan, fails in effort to bring together General Motors and strikers in parley; General Motors blames "arbitrary action" of union officials for break-down of peace efforts; wants removal of "sit-down" strikers from plants; United Automobile Workers of America outlines demands in letter to Governor; says General Motors has rejected "all responsible proposals"; 35,000 in Flint area record opposition to strike.

JANUARY 10—President Roosevelt discusses governmental reorganization plans with Congressional leaders.

General Motors Corporation adopts "watchful waiting" policy in auto strike; Governor Murphy renews settlement efforts.

West Coast maritime strike near settlement, T. G. Plant, shipowners' spokesman, tells President Roosevelt in telegram.

INTERNATIONAL

DECEMBER 11—Senor del Vayo, Spanish Foreign Minister, asks League of Nations to supervise intervention but demands no concrete action.

DECEMBER 14—Soviet merchant ship *Komsomol* sunk, allegedly by Spanish rebel cruiser.

DECEMBER 15—Polish-Rumanian military cooperation firmly extended following visit of Rumanian chief of staff to Poland.

DECEMBER 16—France and Great Britain firmly united in effort to mediate in Spain, with encouragement of U. S. Department of State; Anglo-French entente becomes a reality.

DECEMBER 17—Committee for reforming the League of Nations adjourns indefinitely.

DECEMBER 18—Mussolini forecasts Mediterranean pact with Great Britain.

DECEMBER 19—Anthony Eden, British Foreign Secretary, warns German Ambassador von Ribbentrop that influx of German "volunteers" into Spain is endangering peace.

DECEMBER 21—Great Britain and France, paving way for Italian friendship, reduce legations at Addis Ababa to status of consulates.

DECEMBER 23—France warns Germany against increase of assistance to rebels in Spain; England fears Nazi "explosion" in Spain; Germans reported undecided over Spanish policy.

DECEMBER 24—Decision on Spain expected as Hitler confers with Nazi leaders; Italy being won away by Great Britain.

DECEMBER 26—Berlin demands that loyalists release seized ship and cargo, threatening reprisals.

France offers colonies as bait for Hitler to keep the peace, but England stands pat on question, holding that it should be handled through Geneva.

DECEMBER 27—Great Britain and France deliver simultaneous notes in Rome, Berlin, Lisbon, and Moscow, calling for end of intervention.

After lengthy negotiations and retaliations, Australia and Japan settle trade issues.

DECEMBER 28—Germany likely to make reply to British and French notes conditional upon guarantees by other nations.

Great Britain and Italy announce readiness for Mediterranean accord.

DECEMBER 29—Spanish Government releases German freighter, but confiscates arms cargo.

France reveals Polish promise to defend Czechoslovakia against aggression.

DECEMBER 30—World naval treaties expire; Great Britain, U. S. A., and Japan announce construction programs.

German barter system reported breaking down in Balkans.

JANUARY 1—German warship seizes Spanish freighter as reprisal for confiscation of arms cargo.

JANUARY 2—Great Britain and Italy sign agreement guaranteeing Mediterranean status quo.

JANUARY 3—Italo-British Mediterranean pact pledges the integrity of Spain; French adherence sought.

Germany promises to curb reprisals against Spanish Government if arms cargo is released.

JANUARY 4—Great Britain presses neutrality appeal to Germany and Italy; British Labor leaders charge that Mediterranean agreement is screen to cover further Italian assistance to rebels.

JANUARY 5—Germany and Italy to reply to British and French notes of December 27.

JANUARY 6—Germany and Italy to halt intervention only on condition that other nations do so.

Turkey may withdraw from League of Nations if she fails to secure satisfactory settlement of dispute with France over administration of Antioch and Alexandretta in Syria.

JANUARY 8—France protests landing of German troops in Spanish Morocco.

JANUARY 9—French and British fleets concentrate near Morocco.

JANUARY 10—Great Britain takes unilateral action in barring volunteers from Spain; calls upon other nations to follow suit.

SPANISH CIVIL WAR

DECEMBER 11—Loyalists repulse rebel attack on Guadalajara front.

DECEMBER 12—Spanish Government reports submarine, "evidently foreign," torpedoed loyalist submarine *C-3* off Malaga; crew of 47 reported lost.

DECEMBER 14—Loyalists repulse rebel attack in University City; heavy rains prevent air attack.

DECEMBER 15—Loyalists repulse heavy rebel attack on Madrid front.

DECEMBER 16—Loyalists continue to check rebel attacks on University City.

Rebels bomb railhead at Port Bou; first air attack on Catalan territory.

DECEMBER 18—United States gunboat *Erie* under fire at Musel, port of Gijon, Spain, by rebel warship *Espana*.

DECEMBER 19—Rebels pound Madrid on two sides.

DECEMBER 20—Loyalists make slight gains in counter-attack in Pozuelo de Alarcon sector.

DECEMBER 21—Loyalists strengthen new positions gained in counter-attack.

DECEMBER 22—General Franco creates "high junta" to supervise rebel armies.

DECEMBER 23—Rebels begin flanking movement to south in effort to cut off Madrid from Valencia.

Loyalists strengthen barricades on Madrid front.

DECEMBER 25—Five persons killed as rebels bomb Madrid.

Rebel command at Avila proclaims all Government-held ports in Northern Spain "closed to commerce."

DECEMBER 26—Rebels attempt destruction of railhead at Port Bou and high bridge at San Miguel de Culera in effort to isolate Spain from France.

DECEMBER 27—Loyalists gain toward Carabanchel; rebels shell Madrid.

DECEMBER 29—Rebels launch new offensive in Andalusia; loyalists claim 5,000 rebels killed in southern offensive.

DECEMBER 31—Loyalists take offensive; report capture of Atienza.

Report rebel warships shell Santander.

JANUARY 1—Rebels shell Madrid; loyalists repulse rebel attack in Montoro sector.

JANUARY 2—Loyalists gain in offensive on Siguenza; both sides claim advances in south.

JANUARY 3—Report rebels deserting to Madrid loyalists; rebels repulsed on southern front near Cordoba; rebels claim capture of Abejuncar in south; Madrid shelled.

JANUARY 4—Loyalists evacuate Majadahonda on Escorial road, northwest of Madrid.

Rebel air raid kills 100 in Madrid.

JANUARY 5—Loyalists halt rebel drive on Escorial road; loyalists report recapture of three villages in Guadalajara sector.

JANUARY 6—Rebels report capture of Mount Cumbre, dominating Escorial highway.

Madrid rocked by heavy bombardment.

JANUARY 7—Rebels report capture of Pozuelo de Alarcon and Humera, three miles west of Madrid; rebels declare they have virtual stranglehold on capital.

JANUARY 8—Madrid warned crisis is near as rebels renew sharp drive; hammer at Madrid with rifle, machine-gun and artillery fire, tanks and aerial bombardments.

JANUARY 9—Rebels close in on Madrid; reach banks of Manzanares River; capture railroad bridge and San Fernando Bridge to north of capital; loyalists in desperate defense; loyalist planes bomb Casa de Campo.

JANUARY 10—Loyalists, in heroic stand, halt rebel attack on Madrid outskirts; evacuation of Madrid by non-combatants continues; rebels mass for new attack.

FOREIGN

Austria

DECEMBER 21—Cabinet split; two Ministers threaten to resign unless Nazi element in Cabinet strengthened.

China

DECEMBER 12—Marshal Chang Hsueh-Liang captures Generalissimo Chiang Kai-Shek as protest against Nanking's passive policy towards Japan.

DECEMBER 13—General Han Fu-Chu, Governor of Shantung and former enemy of Chiang Kai-Shek, permits Nanking troops to enter province and pledges aid to Central Government.

DECEMBER 14—Nanking troops, numbering 140,000, marching to rescue of Chiang Kai-Shek.

Tokyo sees Soviet hand in seizure.

DECEMBER 15—Chiang Kai-Shek's safety ascertained.

Russia denies implication in plot; accuses Japan of complicity; Japan and Germany consult on Chinese situation.

DECEMBER 16—Chiang Kai-Shek's silence perturbs captors; Mrs. Chiang opposes use of force in securing release; Central Government declares martial law, and Chinese groups are unified by crisis.

DECEMBER 17—Government troops and Communist forces race towards Sian.

DECEMBER 18—Hope for Chiang Kai-Shek's release grows when Chang Hsueh-Liang sends emissary to Nanking.

DECEMBER 19—Chiang Kai-Shek sends message that he expects to be freed; armed advances on Sian called off.

DECEMBER 20—Three-day truce expires without release of Chiang Kai-Shek; Nanking troops advance again on Sian.

DECEMBER 22—Kansu joins Chang Hsueh-Liang's revolt.

DECEMBER 23—T. V. Soong, former Finance Minister, Mrs. Chiang Kai-Shek, and W. H. Donald, Australian adviser, negotiate for release of Generalissimo.

DECEMBER 24—Nanking extends truce until Christmas.

DECEMBER 25—War Minister Ho Yin-Chin issues ultimatum to Chang: conquest unless Chiang Kai-Shek released.

DECEMBER 26—Chiang Kai-Shek released; Chang Hsueh-Liang surrenders; terms undisclosed.

DECEMBER 27—Chiang Kai-Shek pleads lenience for captor, but Chang declares himself "full of shame" and ready for any punishment.

DECEMBER 30—Nanking Government asks death penalty for Chang Hsueh-Liang.

DECEMBER 31—Chang Hsueh-Liang sentenced to ten years' imprisonment and five years' loss of civil rights.

JANUARY 3—Nanking Government pardons Chang.

JANUARY 6—Nanking forces move against General Yang Fu-Cheng, participant in revolt.

Cuba

DECEMBER 17—Friction between President Miguel Mariano Gomez and Colonel Fulgencio Batista over 9 cent per bag tax on sugar to

establish civil and military schools; bill pending in House of Representatives, passed by Senate; Gomez declares bill anti-democratic.

DECEMBER 19—House of Representatives passes tax on raw sugar by 106 to 43.

DECEMBER 20—Move to impeach Gomez, who threatens to veto sugar bill, loses some supporters.

DECEMBER 22—House of Representatives votes impeachment of Gomez by 111 to 45, on grounds of attempted coercion of Representatives into opposition to sugar bill.

DECEMBER 23—President Gomez denies impeachment charges; alleges trial politically inspired and unconstitutional.

DECEMBER 24—Colonel Laredo Bru, former Vice President, inducted as President; seen as puppet of Colonel Batista and military dictatorship.

Danzig

DECEMBER 28—Fifty-nine Nazis arrested by secret police for plotting with opposition.

France

DECEMBER 17—Communist plan for a capital levy barred by Government.

DECEMBER 18—Senate defeats Premier Blum's Labor Arbitration Act, but Government does not make it vote of confidence.

DECEMBER 27—Senate changes labor bill for fourth time; bill returns to Chamber of Deputies.

Germany

DECEMBER 13—With no grain reserves, Germany lacks 1,000,000 tons of wheat and 1,000,000 tons of rye.

DECEMBER 14—Chancellor Hitler warns Nazi leaders to cease attacks on Christianity.

DECEMBER 18—Prussian Confessional Synod, most powerful remaining Protestant body in Germany, charges that it has been betrayed by state church administration.

DECEMBER 28—Fundamentalist ministers alarmed over plan of Dr. Robert Ley, leader of Nazi political organization, to become "soul caretaker" of German people.

Great Britain

DECEMBER 12—Both Houses of Parliament rush through abdication bill; Prince Edward sails from Portsmouth.

DECEMBER 13—Ex-King Edward VIII, as Duke of Windsor, arrives at Enzesfeld castle near Vienna as guest of Baron Eugene de Rothschild; Archbishop of Canterbury rebukes ex-King and "alien set."

DECEMBER 14—New King sends first message to Parliament; speakers in both Houses promise no revival of constitutional issue.

DECEMBER 15—Ben Tillett, Labor Member of Parliament, declares that King Edward was "hounded off" Throne.

DECEMBER 21—Lord Nuffield donates $10,000,000 for relief of needy in depressed areas.

DECEMBER 22—Archbishop of York criticizes King Edward VIII for not avoiding Mrs. Simpson.

DECEMBER 25—Daughter born to Duke and Duchess of Kent; new princess sixth in line of succession to Throne.

India

DECEMBER 23—National Congress expected to reject federation plan; Nationalists may boycott durbar for new King.

DECEMBER 27—At opening of annual session of National Congress party, Pandit Jawaharlal Nehru, president, opposes new constitution, hits British imperialism, and urges followers not to accept office under Government of India Act.

Italy

DECEMBER 17—Italians complete subjugation of Ethiopia, as Ras Emerou, last hostile chief in southwest, surrenders.

Palestine

JANUARY 7—Arab leaders end boycott of British Royal Commission of Inquiry.

Pan America

DECEMBER 11—Twenty-one nations reach unanimous agreement on peace formula.

DECEMBER 14—Dr. Saavedra Lamas, Argentine Foreign Minister, suddenly withdraws support from neutrality convention.

DECEMBER 15—Proposal for inter-American court of justice postponed until 1938.

Draft neutrality pact completed; no conflict with League of Nations.

DECEMBER 16—All 21 nations adopt collective security convention, non-intervention protocol, and resolution calling for ratification of existing treaties; consultation on threat of war made obligatory.

Argentina supports neutrality pact.

DECEMBER 17—Parley plans cultural interchange for Americas.

DECEMBER 22—Secret conference reported planning Chaco peace pact.

DECEMBER 23—Foreign Ministers of Paraguay and Bolivia pledge peaceful settlement of Chaco dispute as conference adjourns.

DECEMBER 26—Attempts to settle Chaco conflict fail.

Russia

DECEMBER 15—Minor bureaucrats warned not to infringe new civil rights by class discrimination.

DECEMBER 28—Industry to be organized along American lines to overcome evils of bureaucracy.

JANUARY 6—Census shows unbelievers in great majority.

Switzerland

DECEMBER 14—David Frankfurter, convicted of murder of William Gustloff, Swiss Nazi leader, sentenced to 18 years in prison.

DECEMBER 17—Dr. Giuseppe Motta, strong advocate of neutrality and foe of Soviet Russia, reelected President.

AUTHORS *in this ISSUE:*

Imperial Arteries has been prepared by the editors of CURRENT HISTORY.

Curt L. Heymann (*Germany's Colonies*) is a member of the *New York Times* editorial staff. See CURRENT HISTORY for December 1936.

W. Walter Crotch (*Whither Mussolini?*) is editor-in-chief of the International Press Bureau, Paris. See CURRENT HISTORY for September 1936.

Stuart Lillico (*Japan at Sea*) has been active in newspaper and magazine work in the Far East for a number of years. One time assistant editor of *The China Journal*, he is now employed by *The Japan Advertiser*.

Lord Strabolgi (*Europe's Boom in Armaments*) has written extensively on naval subjects, including a book, *The Real Navy*, published in London, 1932. See CURRENT HISTORY for August, 1936.

William Atherton Du Puy (*Our New Islands*), an active writer on international situations, is co-author with Dr. Ray Lyman Wilbur of *Hawaii and Its Race Problem*, 1932.

A. A. Imberman (*Unemployment Insurance*) has carefully studied the Federal Social Security Act, and has recently evaluated it in a series of articles for the Baltimore *Sun*.

Rexford Guy Tugwell (*Cooperation and Resettlement*) is the erstwhile Undersecretary of Agriculture and Resettlement Administrator. With restraint under provocation he continues to write interesting explanations of his past policies.

Edward Levinson (*The Right to Break Strikes*) is Labor editor of the *New York Post*. He is an authority on labor questions, and author of *I Break Strikes: The Technique of Pearl L. Bergoff*.

Maurice Halperin (*Inside Mexico*) is a member of the University of Oklahoma faculty, and has spent much time in Mexico studying that country's current problems. He is a former contributor to CURRENT HISTORY.

George E. G. Catlin (*David Windsor*) is a British author and lecturer. Co-founder of the *Realist*. Mr. Catlin has published *The Science and Methods of Politics* (1926) and *Preface to Action* (1934).

David Dietz (*The Realm of Science*) is the author of *The Story of Science*. Dr. Harry Elmer Barnes, reviewing the book, a new edition of which has just been published, wrote that "there is no more talented popularizer of modern science now writing in America than Mr. Dietz." Mr. Dietz is science editor of the Scripps-Howard newspapers.

Guerra Everett (*Highlights of the Law*), whose law teacher was none other than the famous dissident Justice Harlan F. Stone, specialized for many years in international law. A few months ago, he was made chief of the Commercial Laws Division in the Bureau of Foreign and Domestic Commerce in Washington. He is a member of the Bar of the United States Supreme Court and the author of many monographs and articles on foreign laws.

TRAVEL

Where History Is in the Making

THE impeachment of President Gomez confirming, as it did, the political dominance of a one-time top sergeant and placing education under military control once more calls attention to the colorful record of Cuba. There is only one Cuba in the whole wide world; only one Havana with its curious combination of culture, sport, and race admixture. For that matter, there is only one Caribbean Sea.

We Americans have stood on the shore of a mystic sea for centuries without sensing its atmosphere of beauty and conflict, its bringing together of the elemental forces which both promote and handicap civilization. The Caribbean Sea promises to play a similar part in the New World that the Mediterranean has in the Old. It contains bigger islands and produces bigger storms, and if you are looking for a volcano to match Vesuvius you have Mont Peleé with the buried city of St. Pierre at its feet. In this sea are three independent republics—Cuba, Santo Domingo, and Haiti. In this sea are possessions of Great Britain, France, and the United States. In this sea are populations which live close to the jungle as well as those which have improved to an extent that matches the modernity of New York.

While the Spanish language and Latin American customs predominate, our own business methods and thought processes have created a deep impression. The attitude of people living in or around the Caribbean Sea or, for that matter, in all Latin America, reveals a peace spirit which is not to be found in the Old World. This spirit found definite expression in the Conference recently held at Buenos Aires, the magnificent capital of Argentina. Here was launched a cooperative movement in the interest of better un-

THE CAPITOL BUILDING AT HAVANA, CUBA — N. Y. Times

rstanding among the nations which rests on mething more substantial than a desperate nergency—a movement which enjoys the help popular confidence throughout the affected gion. We Americans, whether north or south the Equator, have come to believe not only peace as an academic proposition but in the acticality of maintaining peace through the tablishment of adequate agencies.

And what do you know about the city of Buenos res, or the stupendous resources which sustain ' What of the potentialities of South America, even the remarkable development that has ready taken place? Here is a great fertile ntinent as large as the United States and nada combined, with only 75,000,000 people on but capable of sustaining ten times that numr. It has a history which for sheer romance nnot be excelled in all the world. It has plenty attractions for those who seek the primitive or io prefer what is strictly up to date.

pain's Battlefields

As between the Caribbean and the Mediterncan Seas, the latter still enjoys the advantage tradition. For three thousand years it has been pool in which the so-called civilized peoples ught each other for supremacy. And now comes e war in Spain to emphasize its time-honored ace in history.

The other day General Franco was asked how expected to get the money with which to repair ain, provided he won. He replied that he ended to get it from tourists who would come see the battlegrounds and ruins. A little opnistic, perhaps, but the thing has occurred fore. Meanwhile, the tourist influx must be stponed until the war is over. But the Mediternean remains with its Gibraltar, its Suez, its tique dots of land, its age-old fortifications and dern naval bases—all made more picturesque d interesting because of recent events. A modnized Tunis, an independent Egypt, a rejunated Palestine, a progressive Turkey, and an oused interest are but a few of the attractions travellers who seek something more important an bridge and bright lights. Here once again warships of great nations are gathering, aybe for no more than a harmless strut or rhaps for something too serious for comfortable ntemplation.

England seeks to retain control of the Mediternean because it represents an indispensable ghroad of the vast empire she has created— empire which some think is threatened with ssolution. That is why British guns continue to mmand the Strait of Gibraltar; why British

bases are maintained at Malta and Cyprus, and why Downing Street watches over the Suez with jealous care.

And this brings India to mind—India of the ancient Hindus, the great Moguls, and Lord Clive—where a desire for reform mingles with a disposition to revolt, but where a million white men because of their ingenuity, organization, and experience still maintain a position of dominance.

China Going Modern

Of all movements of this day and generation, those of the Orient are probably most profound. We sense this dimly because our knowledge of the Orient is still limited, while our conception of its potential forces is almost nil. Marco Polo is supposed to have reached it 600 years ago, but the discovery is still far from complete. Its own vast multitudes lack anything like a clear idea of their own power. But they are learning. Where the missionary failed, the automobile, airplane, and electric dynamo are succeeding. Though coolies still patter along concrete roads, it will not be long before they go the way of our own old Dobbin. It will not be long before Oriental philosophy succumbs to Occidental mechanics.

In floundering China you behold what is perhaps the greatest phenomenon of this age—the conversion of a mighty but slothful empire to science and industry. In China you see the oldest and newest of man's achievements brought together in a boiling chemical compound. Chiang Kai-Shek stopped at a modern hotel during his recent unhappy visit to Sian. When he fled, however, and when Marshal Chang's soldiers surrounded him on the mountainside, they greeted him with the ancient Chinese salutation, "10,000 years of life to Chiang Kai-Shek." In China, electric lights twinkle along poverty-stricken streets, and modern schools rise to look down on rock-hewn temples. In China, the steam shovel and the power loom appear to displace trades that have been in vogue for four thousand years.

Sian the Mysterious

The kidnapping of Chiang Kai-Shek makes it possible for the city of Sian to enjoy a place in the headlines. Where is Sian? The raucous voice of modernity drowns out the murmurs of this swarming community of a half million Chinese struggling for self-preservation.

Some 2,000 years ago, Sian was a mighty city. It boasted a soil so fertile that conqueror and conquered were content to call it home in the days of its fullest power. Shi Hwang-ti, builder of the Great Wall and burner of books, crumpled to dust within its sphere. Then came an unfamiliar day when the sky darkened over Sian, and men breathed with difficulty. Clouds of dust blown in from the denuded plains settled over the city. Within a score of years the fertility of the land was choked into barrenness. Sian, once great, sheltered an impoverished peasantry. Perched in the midst of a great plain, it became the monument not of man's greatness but of his destructive negligence.

But today the city faces a brighter future. Reforestation experts are beginning the slow discouraging task of rebuilding the fecundity of the soil, while the enterprising residents make a bid for tourists with a modern hotel that offers everything from electric clocks to chromium cuspidors.

"New Life" Movement

While Generalissimo Chiang Kai-Shek, restored to power, seeks to change the face of ancient China, Madame Chiang attempts to change the Chinese themselves. Through a "new life movement," she endeavors to increase the blessings of sanitation. The movement she has launched is dedicated to cleanliness. From the seaboard it has spread inland with remarkable results. Christians and non-Christians are rapidly being thrown into its ranks.

From every vantage point, the slovenly are assailed with slogans and catch-phrases exhorting them to be clean, dignified, and honest. On telegraph poles and in all public vehicles posters are displayed. Cleanliness and neatness are not only advertised, but their specific application is described. The proper use of a handkerchief, the buttoning of one's garment, the brushing of teeth, etc., are all strictly prescribed. City officials from the Mayor down sweep the streets as an example to the people. In scores of towns a sanitation official pays weekly visits to every house and affixes a label marked "Clean," "Fairly Clean," or "Dirty."

The World in Books

(*Continued from page 9*)

foreign country or combination of countries will dare to send its armed forces against us.

Of course, there can be as many definitions of "peaceful missions" as there are causes of war, so that keeping the Army or Navy at home would require a precise definition as to just what situations might come under the heading of "peaceful missions." Part two of General Hagood's peace equation would also require clarification. Are we to gorge ourselves with guns until we have as many as all Europe? Are we to harness the entire population to the instruments of war in order to be sufficiently powerful that no "combination of countries will dare send its armed forces against us"? It would seem, then, that General Hagood's two points require some qualification.

This is not to say that *We Can Defend America* is not a valuable work, for it is. General Hagood wisely believes that America can and must put into practical operation the pact entered into with other countries to outlaw war as a means of settling international disputes. He is convinced, too, that we have jumped into war on too little provocation. The sinking of a ship or an insult to the American flag or the massacre of missionaries in China should not constitute *casus belli.* There are other ways, he maintains, for America to retaliate with dignity. The best way to keep peace is to keep the powder dry.

In case all efforts at resisting war fail and the United States is engaged in defensive conflict, General Hagood believes that we should be prepared to carry through an eight-point program which shows "some common sense and which does not lavishly pour out the taxpayers' money for things that are not essential to success."

We Can Defend America is stimulating and challenging. It should provide advocates of various neutrality plans ample material for a sound and constructive basis on which to evaluate their own and other proposals designed to keep the United States out of war.

While neutrality is probably the most important single issue before the present session of Congress, there are other questions which have a definite bearing on the future of the country. Among recently published books offering discussion of these issues are Morris L. Ernst's *The*

Ultimate Power (Doubleday, Doran, $3.00); *Picking America's Pockets* by David L. Cohn (Harper's $3.00), and *John L. Lewis* by Cecil Carnes (Robert Speller, $2.50).

In *The Ultimate Power*, the hard-hitting Mr. Ernst has singled out the Supreme Court for scientific scrutiny. Exposing both Court and Constitution to the full glare of his relentless logic, made even more penetrating by his long experience as a lawyer, Mr. Ernst believes that American democracy is being frustrated by excesses of judicial power. After examining the Constitution and studying the philosophy, purposes, and motives of both the men who made it and those who later interpreted it, Mr. Ernst can see no justification for the statement that the Constitution does not provide for social change. It is the interpretation given the document by the members of the Supreme Court that has blocked the way toward fundamental economic reform.

But Mr. Ernst, unlike many other critics of the "nine old men", does not propose to enlarge, reduce, or dissolve altogether, the Court. Nor does he favor a number of other suggestions now pending in Congress which would invalidate all but five-to-four decisions, or which would take away the right of the Court to hear appeals. Mr. Ernst would simplify things. He believes that democracy's needs can best be served by maintaining a higher judiciary providing the *ultimate power* remains with the people—specifically, by Congress. Congress has the right to override a veto of the President by a two-thirds vote. Why should it not exercise a similar democratic use of power over the Supreme Court?

Mr. Ernst gives credit for the proposal to James Madison, who in 1787 suggested that the Supreme Court be subject, as well as the President, to Congressional review.

Picking America's Pockets is the most vitriolic indictment of a high tariff policy since Daniel Webster delivered his famous philippic in Congress more than one hundred years ago. David L. Cohn sees no intermediate shades in his view of a high tariff. He views it as the beginning and end of the nation's major economic, social, and political ills. There is no description harsh enough, he believes, to apply to a high tariff policy. But Mr. Cohn seems to have found that description, for *Picking America's Pockets* is from first to last a model specimen of barbed-wire in print.

The author was conditioned against high tariffs, perhaps, by reason of his long and close association with the South. The plight of the cotton and tobacco farmer he was able to trace directly to the nation's high tariff policy. The entire South, in fact, was reduced to the status of colonies; it has never been on a parity with the North, he contends, and has been picked clean and suppressed is much the same manner that England might exploit India and Egypt. But Mr. Cohn does not profess to speak only for the South. He champions the rights, he says, of all but the entrenched economic barons.

That some downward revision of the tariff is necessary is apparent. Whether it should be revised as sharply as Mr. Cohn seems to believe essential is a matter for impartial tariff experts to decide. In this connection, Mr. Cohn makes the sound proposal that a Tariff Commission be formed which would have a scope of powers similar to that of the Interstate Commerce Commission in its field.

John L. Lewis is as timely as a late afternoon paper. Mr. Carnes has caught more than the personality of John Lewis; he has recorded the birth, growth, and possibilities of a labor movement that may reach down into the economic and political foundations of the nation.

This is the first biographical work of the man whom many believe will be President in 1940. Mr. Carnes is authority for the statement that the leader of the Committee for Industrial Organization "would like to be President of the United States." It is significant, moreover, to note that Mr. Carnes believes that eventually John L. Lewis, whom he calls the "mine Mussolini" will play a direct role in the administration of this government. It may be, as the author suggests, perhaps, as the head of a form of "governmental unionism."

Literature on the New Deal has not diminished perceptibly from that of the campaign days. Two new works, *The New Deal: An Analysis and Appraisal* by the editors of *The Economist*, London, (Alfred A. Knopf, $1.50), and *Forward with Roosevelt* by P. J. O'Brien (Winston, $1.00) are the latest additions to the New Deal library.

The editors of *The Economist*, in true English tradition, have carefully examined all the facts of Mr. Roosevelt's first administration before stating their evaluation; their comments on the New Deal, therefore, take on all the more importance. They believe that, by and large, President Roosevelt has done well. But their praise is seldom positive; i.e., "Mr. Roosevelt may have given the wrong answers to many of his problems but he is at least the first President of modern America who has asked the right question." Similarly, they are willing to concede that the New Deal is a "striking success" compared to the dark days of March, 1933. But they believe that an opposition party in the last election which did

not hedge the question of Constitution reform to meet the new social and economic needs of the nation would have clearly deserved the support of the people over Mr. Roosevelt. Since there was no such opposition, however, the authors were inclined to dislike the President less than they did the Republicans.

The full-sized and popular-priced *Forward with Roosevelt* takes a more vigorous and enthusiastic view of the New Deal. An interesting mixture of history and biography, it reviews the Roosevelt record in a readable and coherent fashion. Mr. P. J. O'Brien is not blind to the faults and failures of the New Deal but neither is he apathetic to its successes. He believes that the President will accept his overwhelming support of November 4 as a mandate to continue his fight for social equality. The direction to be taken by Mr. Roosevelt during these next four years is already determined; barring war or other international complications, the people may expect an administration which will deal in something more than a perfunctory manner with the fundamental problems of our present-day business civilization.

MISCELLANEOUS REVIEWS

Denmark's Middle Way

Sweden's consumer cooperatives have been described and explained in Marquis W. Childs' *Sweden: The Middle Way*, one of the books selected by CURRENT HISTORY'S Literary Advisory Council on the list of the ten most outstanding non-fiction works of 1936. But Denmark has a "middle way" of its own and cannot be ignored in any consideration of consumer cooperation. We are indebted to Frederic C. Howe, therefore, for his competent and readable *Denmark: The Cooperative Way* (Coward McCann, $2.50).

There is much that the consumer cooperation movement in America can learn with advantage from Mr. Howe's work. What would the relation of the Federal Government be to the movement? What reorganization, if any, would be necessary in private business? What would be the social, economic, and political results of cooperation? These questions find a clear discussion and explanation in *Denmark: The Cooperative Way*.

Government Finance

Most citizens are of the opinion that public finance is a haphazard game with a few wild-eyed legislatures slapping a tax on everything in sight. And most citizens are very nearly right. However it is a field of increasing importance and complexity. Our sources of information have scarcely kept pace with its tremendous growth. Thankfully there are some exceptions. Dr. Jens P. Jensen, Professor of Economics at the University of Kansas is a notable one. Hardly a novice, his book *Government Finance* (Crowell, $3.50) supplants *Public Finance* published in 1924. It is a scholarly book, well balanced, thorough. But most important of all, it is readable.

American Diplomacy

Of definite importance to students of American diplomatic history is James Morton Callahan's *America's Foreign Policy in Canadian Relations* (Macmillan, $4.00). With painstaking documentation, Dr. Callahan has recorded the story of American relations with Canada from the American Revolution through the first quarter of the twentieth century. It is especially timely in view of the establishment of direct diplomatic relations recently with Canada, instead of the go-between system formerly used, under which all negotiations had to pass through London. Dr. Callahan's book gives every evidence of gaining the recognition of historians as the standard work on American-Canadian diplomatic relations.

The Battery

A few years ago Rodman Gilder flew over the tip of Manhattan Island and was so impressed with the picture of the Battery that he felt impelled to set down its history. This he has done in *The Battery* (Houghton, Mifflin, $4.50), an engaging and well written story of the settlement of Manhattan from its beginning to the Battery of today. It covers in detail the early conflicts among the Dutch, the British, and the Indians, and is enlivened by the free flow of anecdote. This is a splendid chronicle of history-in-the-making as measured in terms of the story of the Battery.

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THE WORLD IN BOOKS

Books Reviewed in This Issue

BOOK	AUTHOR	PUBLISHER	PRICE
The Hundred Years	Phillip Guedalla	Doubleday, Doran	$3.00
Is It Peace?	Graham Hutton	Macmillan	$2.50
Zero Hour	Richard Freund	Oxford	$2.50
America: A Re-appraisal	Harold E. Stearns	Hillman-Curl	$3.00
A Declaration of Interdependence	H. A. Overstreet	Norton	$3.00
Our Ineffective State	Wm. H. Hessler	Henry Holt	$2.50
The Recovery Problem in the U. S.		Brookings Institution	$4.00
They Shall Not Want	Maxine Davis	Macmillan	$2.50
Roosevelt to Roosevelt	Dwight Lowell Dumond	Henry Holt	$2.60
Indian Affairs in Georgia—1732-1756	John Pitts Corry	Ferguson	$2.50
In 1936	Alvin C. Eurich & Elmo C. Wilson	Henry Holt	$2.50
American Economic Development	A. M. Sakolski & M. L. Hoch	Nelson	$2.50

Literary Editor, N. B. Cousins

EMERSON said that reading history was a laborious process but that was before the advent of Phillip Guedalla. For *The Hundred Years*, Mr. Guedalla's latest work, is a unique literary device which makes the story of the past as vitally alive as wild birds in flight. It views history, not as a recitation of dates and places, but as the theme for the drama of human events.

Mr. Guedalla, an English historian who seems to have extended and refined the Wellsian formula, has thrown what he calls a "light bridge" across the span of history during the last hundred years. His bridge is gently arched and its foundations are gracefully anchored. It looks down upon the multi-colored carpet of recent history, whose pattern began its weave one hundred years ago, on that quiet June morning in 1837 when a little girl became Queen Victoria, and ends with the death of George V one year ago last January.

It is from the towers of his bridge that Mr. Guedalla plays his bright spotlight upon the panorama of the past. And into the range of its sharp light appear the glittering jewels of a century's mosaic. The spotlight moves from its focus on Queen Victoria and comes to rest 32 more times before Mr. Guedalla completes his picture. Now the light settles on a growing, surging America in its industrial evolution; now it roams over history's landscape and focuses on the capitals of Europe during the middle of the nineteenth century, when revolution burned in the soul of a continent; now it picks out the ambitious Bismarck; now it brings into clear relief the assassination of Alexander; now it is turned on America's plunge into the World War; now it widens to show two countries, one of which works out its destiny within the concepts of a New Deal, while the other turns to purge, suppression, and regimentation.

The biographer of Wellington and Palmerston has chosen no easy task in his biography of a century. The last hundred years has seen the rise of a new civilization and the beginning, perhaps, of its fall. It has seen the application of new social principles and the fight to maintain the old. It has seen its maps re-drawn and re-drawn again. It has seen, and still sees, great wars in which

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man's inventive genius has facilitated self-destruction.

In surveying this material, Mr. Guedalla has apparently acted on the axiom that the whole is greater than any of its parts. For it is the rounded picture of the century rather than any orderly succession of historic facts which the reader carries away with him. What Mr. Guedalla has done was to highlight this picture and point up its effectiveness by "describing its leading moments as they affected the leading units of the Western World."

Mr. Guedalla makes no attempt to write a textbook to be read and recognized by scholars; indeed, *The Hundred Years* might well be called a farewell to footnotes. This does not mean that the work is an over-simplification or merely a popularization of history. *The Hundred Years* goes to the roots at the points where it chooses to dig. It concerns itself more with the characters in the drama of the century than it does with a chronicle of events. And, significantly, it is written, not merely compiled.

The English With Us

Two of Mr. Guedalla's colleagues lend an even greater English flavor to the month in historical non-fiction. And both write on almost identical subjects: the question of world peace as seen through post-war history, with special reference to the role of Great Britain as a force against war. Graham Hutton, author of *Is It Peace?* agrees with Richard Freund's *Zero Hour* that British foreign policy will largely determine whether the world will yet be stayed from disaster.

At the moment, Great Britain is blistered sorely from almost continuous sitting on the diplomatic fence. She cannot afford to snub France and Belgium, her traditional and democratic allies, yet must also restrain from flouting Germany or Italy, or both, lest she force the mailed fist of the fascist powers. Accordingly, Great Britain has guaranteed the frontiers of Belgium and France against Nazi agression, at the same time tacitly sympathizing with Germany's outright disregard and violation of the Versailles Treaty. And in the Spanish situation John Bull has played the part of a ventriloquist: he cries out against intervention in Spain, but at the same time he sweetly hums a fascist tune. How long will he continue to sit on the fence?

As long as he possibly can, says Mr. Freund in *Zero Hour*, in pointing out that no other continental policy is feasible for Britain in view of the threat by Italy in the Mediterranean and Africa, the menace of Germany in Central Europe, and

PHILIP GUEDALLA
Author of "The Hundred Years."

the danger of an antagonized France. Similarly, Mr. Hutton contends that Great Britain must keep her hands free while maintaining a policy of expediency in meeting the critical situations and contingencies as they arise. The author of *Is It Peace?* adds that England's safest and wisest policy is to "retain strength and vigilance, seeking an opening for decisive intervention."

The *Zero Hour* is at hand, Mr. Freund believes, because at almost any moment the dynamite of war may be touched off. The sparks are being generated in three danger zones: Central Europe, Mediterranean, and the Far East. The first two zones might almost be grouped together, since they constitute the stamping ground of the fascist bloc. This is the domain of the dictators to a large degree, and it is through this belt that the gun and the goosestep are seen the most. Germany is reaching out on every side; she wants to snatch back Danzig and her lost colonies as the overture to her attempt at empire. And Italy has designs of her own. From her boot on the Mediterranean she gazes out on a sea that is under English domination and dreams of the day when another Roman Empire will rise on its shores. Meanwhile, Il Duce brings the vision closer as he speeds completion of the two largest and fastest battleships afloat.

In the Far East, the third of Mr. Freund's danger zones, "Japan is advancing inexorably to carve out her empire from the prostrate body of China." But it is doubtful whether Great Britain could defend her interests in Hong Kong, Shanghai, and possibly Australia, Borneo, New Guinea, and the Pacific Islands. For England is compelled to concentrate the bulk of her forces in European waters, unless she wants to run the risk of losing hegemony on the sea to Italy.

It is in this plight that England casts about for a foreign policy which will enable her to remain the greatest empire in the world. Mr. Freund suggests that the dominions be encouraged to take a larger share in the defense of the empire and build up their own armed forces. Mr. Hutton does not disagree that the lifelines of Great Britain would help, but he strongly doubts that the dominions will send their citizens to fight again in Europe for a "Britain who has voluntarily stepped into the furnace." Furthermore, *Is It Peace?* believes that England could not hope to count on the United States for succor until London is actually a pile of ruin—a contention, incidentally, to which Mr. Freund does not subscribe.

Mr. Hutton rightly deplores the tendency to concede the demands of the fascist powers in the belief that such concessions would still the war drums and make peace-loving proponents of battle-blooded Hitlers and Mussolinis. The very soul of the fascist state is wedded to military organization, he maintains, and there is no reason to believe namby-pambyism will succeed where all else has failed.

Both *Is It Peace?* and *Zero Hour* are important reading in the field of history-in-the-making. The former gives one a thorough background for a complete understanding of current foreign affairs by recording, clearly and logically, the series of significant post-war events leading up to the present. Although it gives particular reference to the position of Great Britain in world affairs, it analyzes, country by country, the course of history since 1918. *Zero Hour* deals more fully, perhaps, with the current world situation and is a well-integrated and comprehensive work. As authoritative guidebooks to world affairs, both *Is It Peace?* and *Zero Hour* are the best in their field published since the beginning of the year.

Democracy Again in Favor

The vogue in extreme radicalism, so prevalent in this country only four years ago, seems to be giving way to a more moderate form of social

(*Continued on page 9*)

(Continued from page 6)

philosophy. We remember that not long ago anyone who professed faith in democracy was labelled a chauvinist and a tool of the capitalists. Today, we have come to recognize that the forces for good in a democracy are vested with such bright social possibilities that it would be folly to scrap the entire system in the hope that a dictatorship, either by individual or class, can furnish economic emancipation.

This is the theme, broadly speaking, of three new works which have re-discovered America and not found it wanting. Starting with Harold E. Stearns' *America: A Re-appraisal* and on through *A Declaration of Interdependence* by H. A. Overstreet and *Our Ineffective State*, by William H. Hessler, one carries away the conviction that not one of the three authors would trade even the ragged seams of democracy, with all its fuzziness, for a highly-polished, sixteen-cylindered dictatorship.

Mr. Stearns, for example, thoroughly seems to enjoy re-introducing America to Americans. His enthusiasm is not the sour-bellied, nonsensical flag waving, or surface patriotism type, say, of William Randolph Hearst. Nor has he too much of a disposition to close his eyes to the faults of American democracy. Mr. Stearns has the commendable courage to stand up and say exactly what most of us believe and would say, too, if we were not afraid, curiously enough, that we might be ridiculed as naive or lacking in intellectual skepticism. What he says is that the American system is fundamentally sound; that our art, literature, and general culture are not inferior just because they are American; that there is something unexplainably reassuring in being able to yell, shout, sing, scowl, smile, frown, and yawn without fearing internment in a concentration camp.

Mr. Stearns ought to know. He was one of the leaders of the Literary Left who found America intellectually sterile in the early twenties and out of sheer disgust for their countrymen left for the more cultured and appreciative Paris. But Mr. Stearns has completed the cycle. He returned to America several years ago, apparently with the same effect as a man taking off a blindfold in the bright sunlight. For Harold Stearns has at last burst into the daylight of democracy. And he is still rubbing his eyes, not so much because he is unaccustomed to the glare, but because he is almost delightfully confused by the many bright aspects of America that he did not see before. *Re-discovering America*, which he wrote shortly after his return, and now *America: A Re-appraisal* are the results.

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MAXINE DAVIS
Author of "They Shall Not Want."

An "Effective Democracy"

America: A Re-appraisal clears the ground for positive and constructive suggestions towards a reinforced democracy. Both Dr. Overstreet and Mr. Hessler agree with Mr. Stearns that there is much good in American democracy, but they do not stop there; it is their main concern that this democracy be made, to use a word in high favor with both authors, "effective".

As a psychologist, Dr. Overstreet would begin his plan for an effective democracy by giving Americans a new "key-word" to best express the philosophy of the new Americanism. The French Revolution was dramatized by the words "liberty, equality, fraternity", while America's catch-word in its revolution was "independence". But a new word, Dr. Overstreet believes, is now needed for Americans to reveal the "new enterprise which it is their destiny to undertake".

The word suggested by Dr. Overstreet, as indicated in the title of his book, is "interdependence". It is intended as a synthesis, in its most noble meaning, of independence and dependence. American democracy has its wealthy (independents) and its poverty-stricken (dependents). It has its powerful and its weak. Its exploiters and exploited. In brief, the relationship may be summed up in the phrase, independence *versus* dependence. Dr. Overstreet would resolve these apparently "irreconcilable opposites" into a new synthesis.

Believing that "interdependence", which he describes as the most rewarding level of independence, will advance and consolidate democracy, Dr. Overstreet suggests a modified phrasing of the Declaration of Independence:

> *When in the course of human events it becomes evident that, in manifold ways, we are linked together, a decent respect for the logic of life requires that we so order and adjust our social arrangements that we make effective the interdependence of all mankind.*

What can interdependence do? Dr. Overstreet believes it will bridge the chasm between production and purchasing power; producer-obligation and consumer-right; citizens and their representatives; between political aims and political means; between happiness and intelligence; between absentee ownership and absentee-responsibility; between ourselves and our resources.

America's problem, he asserts, can be solved without benefit of "ism". With interdependence as its blueprints, with the growth of consumer cooperatives, and with the careful introduction of public ownership and operation of credit issuance, distribution of electric power, and railroads, America can look forward to a modernized democracy.

A Declaration of Interdependence is sound and stimulating reading. Dr. Overstreet's logic is thoroughly tenable and sharply pointed, as befits his rating as one of our greatest contemporary thinkers. His latest work will please a large following that has been attracted to him through his work as an educator, psychologist, and writer; particularly those who enjoyed his *Guide to Civilized Leisure* and *We Move in New Directions.*

Mr. Hessler's theme in *Our Ineffective State* is that democracy is here to stay; the problem is to examine, modify, and repair it "before it breaks down altogether with subsequent disaster." Like Dr. Overstreet, Mr. Hessler holds a brief with the American system of checks and balances. Dr. Overstreet's argument is not with the system itself, for he believes that it should be extended to the economic area instead of being confined solely to the sphere of politics. Mr. Hessler contends that the entire check and balance method has frustrated the proper operation of democracy. The eighteenth century conception of democracy, with its restrictions and counter-restrictions, does not hold true today, he adds, because present-day democracy must have the machinery and authority to transform the people's needs into action.

This, then, is Mr. Hessler's idea of the "effective" democracy, as compared to the "ineffective" state in which "conditions are ripe for seizure by ruthless power-crazed realists." The government would be keyed to the thinking of the times and the people. It would be sufficiently strong to meet any challenges of communism or fascism. And it would be directed by a "visionary conservatism" in the form of a "stabilized capitalism, merging almost perceptibly into a collectivism as much to socialism as to capitalism".

One of the forces now working against democracy, Mr. Hessler believes, is the Supreme Court which he describes as the third house of Congress whose specific consent is required before a statute can be put into effect. Those who defend the Constitution above everything else, he predicts, may "save" that document only to see the entire structure of constitutional government collapse "because that adored and exacting written instrument stood between the government and its task."

Mr. Hessler neither minces nor wastes words. His book will be hard swallowing for all who believe that the function of government in a democracy is to govern as little as possible. His viewpoint, explained clearly and without hesitation, is the one which will be represented many times in the great issue now before the nation as to whether our American democracy can best be "effective" by dealing directly and in a forthright manner with social problems or by the slow and deliberate processes of regular constitutional government.

Recovery and Relief

The story of America's present depression and its efforts toward recovery has been told many times but never analyzed as well as in the Brookings Institution report on *The Recovery Problem in the United States* nor interpreted from the human standpoint as well as by Maxine Davis in *They Shall Not Want.*

Exact knowledge and figures pertaining to the economic cycles are of absolute importance and it is to be regretted that they are not used more often by alleged public officers. But there is another phase which is equally important and which is seldom seen in long rows of figures: the human equation. Ideally, a combination of both would seem to be in order. This combination is provided, happily enough, by the Brookings report and Miss Davis' work.

Regardless of its conclusions, which comprise approximately only two percent of its content, but which are critical of the New Deal, *The Recovery Program in the United States* is without question the best record published to date on the subject. Its 700 pages are filled with charts, graphs, and tables. There is no question on the

(Continued on page 144)

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Reforming the Judiciary

ON FRIDAY, February 5, 1937, President Roosevelt, in a surprise message to Congress, announced his plan for reforming the Judiciary. Since that time, the country has seethed with discussion. There can be little doubt that Congress is in a mood to curb the Supreme Court, but whether it is in a mood to accept the President's plan *in toto*, time alone can tell. Formidable opposition, especially in the Senate, has already developed to certain provisions in the plan. Such Democrats as King of Utah. Glass of Virginia, and Burke of Nebraska, and such Progressives as Borah of Idaho and Johnson of California have announced disapproval.

Briefly stated, the plan provides:

1) that the President may appoint a justice to the Supreme Court in addition to every justice who has not, or does not resign before reaching the age of 70 years and six months, with the proviso that the total number of justices should not exceed 15;

2) that the President may appoint an additional judge to inferior courts under similar conditions, with the proviso that the total number of such judges shall not exceed 50;

3) that if, as, and when a law is declared unconstitutional by an inferior court, the case will go straight to the Supreme Court;

4) that a proctor shall be created to keep track of all cases in which the constitutionality of a law is challenged, and inform the Government.

There are two ways of revising the Constitution in its practical application to law-making. One is by amendment, while the other consists in having the Supreme Court construe the Constitution in a broad way and with due regard to changing ideas and conditions.

President Roosevelt's plan embodies the second way. He believes that the Constitution is broad enough to permit all necessary reforms, if properly interpreted, and that if the Supreme Court as it now exists cannot, or will not, make the right kind of decisions, the Executive and the Congress are justified in revising or enlarging its personnel.

The proposition does not lack historical

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MEN AT WORK

background. Membership of the Supreme Court has been reduced, or enlarged, no less than five times since that tribunal was first established. Furthermore, the Constitution leaves the door wide open for the pursuit of such a course. Congress could, if it felt so disposed, increase the number of justices on the Supreme Bench to 15, 50, or even 500. Confidence in the Supreme Court and belief that an independent judiciary is essential to our system of government have prevented such political tinkering as the Constitution would seem to permit.

The real issue is, whether the American people will continue to amend the Constitution when they desire important changes in their government, or whether they will avoid the tedious process of amendment by tolerating such political interference with the Supreme Court as is necessary to make it conform to what appears to be the prevailing sentiment.

As presently constituted, the Supreme Court consists of nine members. They are: Chief Justice Charles Evans Hughes; Associate Justices Willis Van Devanter, James Clark McReynolds, Louis D. Brandeis, George Sutherland, Pierce Butler, Harlan F. Stone, Owen J. Roberts, and Benjamin N. Cardozo. Six of them are over 70. If the President's plan of enlarging the Court is approved, he would be allowed to appoint six additional judges, whether any of those over 70 retired or not.

When first established, the Supreme Court consisted of six justices. Eleven years later it was reduced to five. After that, the number was varied by different Congressional Acts from six to ten. Congress first fixed the number at nine in 1869. Afterward it was reduced to seven and then raised to nine again. It has remained at nine for more than 50 years.

The Supreme Court has rendered 16 decisions that properly may be regarded as affecting laws emanating from the New Deal. In five cases it upheld New Deal laws and in 11 declared them unconstitutional. Five decisions adverse to the New Deal were unanimous.

Three justices—Brandeis, Stone, and Cardozo—are generally regarded as favorable to the New Deal. Brandeis was appointed by Wilson; Stone by Coolidge, and Cardozo by Hoover.

G. M. C. Versus C. I. O.

THE automobile strike has proved of such devastating consequence for industrial activity that the fundamental issues which it involves have been thrust upon the attention of Americans in a manner which cannot be gainsaid.

The controversy follows the new pattern of labor relations. It is a three-way fight. There is not only the issue of the worker versus the employer. There is the struggle within the ranks of labor itself—between the skilled and the unskilled, between the craft and the industrial form of organization, between the conservatism of the established unions and the militancy of the new and larger ones now seeking recognition.

The same pattern characterized the shipping strike, where the rank and file broke away from the union officials. In the case of the auto controversy, the Committee for Industrial Organization, led by John L. Lewis, represents the new unionism and is the dynamic and novel force in the situation, as it seeks the right of being the sole bargaining agency for the automobile workers through the United Automobile Workers. The General Motors represents the employers; it is a typical large American industry, producing about 40% of the national output of cars and trucks and with far-reaching financial ramifications. The American Federation of Labor stands for the more conservative type of unionism and has endorsed the strike from a distance, although jealously preserving the independence of the craft unions.

If this pattern of labor relations is growing familiar, the same cannot be said of the technique of the sit-down strike. Technically, this form of action is illegal. But the authorities, for reasons of public consideration, hesitated to apply the injunction issued against the strikers. It is also dictatorial: for it enables a small group of workers in key positions to force the remaining workers into inactivity. There is a credible report to the effect that the hand of the C.I.O. leaders was forced in this respect, and that the action was taken without their indorsement. Be that as it may, this French wrinkle has created a new problem, with which the present laws cannot cope.

One undeniable certainty stands out. Industrial strife has and will entail an unparalleled economic waste. The Pacific Coast maritime strike lasted 99 days and cost business, labor, and the public some $700,000,000. The automobile strike has even graver potentialities, when it is considered that it is but a flanking attack in the movement to organize industrially steel, lumber, and textile workers.

All parties to the controversy are unanimous as to the waste involved. Yet there were many lengthy and sterile conferences and bitter recriminations. Both sides fought shy of the National Labor Relations Act, which, in any case, is in the hands of the courts. It is abundantly evident there is no sufficient guarantee of the interests of the fourth and most important party to the controversy—the public. And it is equally clear that the system of law and the codes of social ethics will have to undergo drastic revision in the light of new facts if American labor relations are to pass out of the jungle stage.

The views of the two antipodal parties to the controversy are presented here with certain qualifications. They represent the attitudes of the extremes in the controversy; not all employers would subscribe to a rigid stand against industrial unionism, and some labor elements would be found adhering to the philosophy of the employers. But, in that they demonstrate the prevailing attitude, whether explicitly or implicitly expressed, on each side of the fence, they shed light upon the nature of the problems involved.

Against Industrial Unions: Everyone knows that the present object of industry is not primarily service, but profit. And with the worker this is also true, since he must sell his labor at the highest possible rate at all times. Whether such a selfish fact symbolizes human degradation is of no importance; it remains a fact, constant and inescapable. Thus in the instance of the General Motors strike, all purported reasons for the disturbance must first be measured on the basis of whether or not labor is being deprived of a fair wage for service. Peculiarly enough, not even Homer Martin can complain that this is true in the auto industry. What then is the underlying reason for the strike disturbance? Behind the facade of derivative expressions, such as "legality", "fair play", "cooperation", "oppression", there is a fundamental objective. President Sloan, whose highly trained mind is geared to detect basic combinations, puts the case succinctly: "Wages, working conditions, honest collective bargaining, have little, if anything, to do with the underlying situation. They are simply a smoke screen to cover the real objective. . . . That real issue is perfectly clear, and here it is: Will a labor organization run the plants of General Motors Corporation or will the management continue to do so?"

Labor predicates its case on the "right" of the worker to collective bargaining and the "right" of the worker to an equitable division of profit. General Motors long ago established the right of collective bargaining through company unions which, because of their unit segregation, are better fitted to deal with specific problems in specific plants. As for the question of an equitable division of income, it has, on the admission of workers, no validity in the auto industry. However, since the word "right" realizes value only through the direct or implied use of force, the General Motors management must examine this threat objectively. Mass organization of workers into bargaining agencies is, of course, the necessary force with which the workers propose to establish the validity of their "rights." But, on their own admission, it is not necessary for them to create this power which must eventually modify or wholly destroy management in order to secure a more equitable distribution of profit in the automotive industry. Industry in general and the auto industry in particular have already recognized the value of mass buying power. This conception is current among responsible managements, and while admittedly slow in materializing, must eventually maintain wages on an equitable plane with dividends.

General Motors has often declared, and proved, its responsibility to the community. It protests the illegality of a strike depriving the greater number of workers of their livelihood, and basically violating the principle of private property upon which the framework of law and order is erected. Sit-down strikers have confiscated property and conducted negotiations under the constant threat of destruction of machinery and prolonged industrial stoppage. Admitting the efficacy and the reality of such methods, serious consideration has been given to an eventual curb on such gangsterism. Currently, demands made to management under these conditions appear to have some chance of success. That such demands, as they become more exacting with an increased power, will eventually destroy industry is an

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indisputable fact. General Motors recognizes this situation with characteristic realism. They have devised a simple strategy allowing them to make forced concessions only with powerful resistance. In this way, they hope, it will not only be possible to delimit and balance untried theories, but will place management in a position to recapture concessions that in practice seriously threaten the structure of industry.

With the advent of the C.I.O. an entirely new factor entered into the normal relations of management and labor. The C.I.O. is a third party, uninterested in the specific problems of one industry, functioning as a non-competitive entity supreme in its own field and capable of destruction. Operating beyond the periphery of public responsibility it can, if carried to logical extremes, become more powerful than Government itself. In its present form it is not unlike a racket. The competitive factors of industry and finance are of no concern to the C.I.O. All labor bargaining power functions only in relation to wages. In the instance of General Motors, if the C.I.O. eventually exacts a standard of wages incompatible with finance charges and competitive conditions, then it will be, of course, necessary to pass excessive fixed charges on to the consumer. But again this is no worry of the C.I.O. If it functions at all, it intends to function as an elite, enjoying any and all concessions that it is able to exact from other unorganized parties.

Numerous atrocity charges are brought to bear against management, not the least of which is the condemnation of methods used to combat unionization of industry. Investigating committees have proven that espionage systems are supported, and terroristic tactics are often resorted to in the elimination of those workers who are found to be union agitators. But what other methods are effective against the attractive and often spurious promises of labor organizers? Arguments and paternalistic concessions avail little with those men who are provoked by outside agencies into evaluating their specific jobs as being worth more than they really are in the industrial pattern. For management to encourage unionization would be detrimental to its own interests and to what it believes are the interests of the worker.

What would be the immediate results, assuming that the C.I.O. realized its objectives? Even John L. Lewis could not truthfully deny that the efficiency of industry would be impaired. It would no longer be necessary for the skilled workers to maintain high production standards. The unskilled, the inefficient, would set the pace, and be amply secured against discharge by the power of unionism. But of greater importance would be the direct effect upon finance. Under the laws of competitive business, finance, in order to maintain the fluidity necessary to constant change, must avoid high fixed costs in the form of wages. New and revolutionary industries depend upon low wages. Finance charges compatible to the risk involved in new business are also incompatible with high wage costs as fixed by dictatorial unions.

Schemes are often advanced as to the best method of determining a fair wage. Some economists advocate a candid exchange of financial information between labor and management. This is a simple plan and one that appeals to the uninitiated. Unfortunately, to accept the primary tenet of such a plan would completely revolutionize the entire economic system. A financier once pointed out that nobody can do business with glass pockets. This is no less true today, especially when one half percent differential in a fixed interest charge may mean the success or failure of a business venture. Other schemes are equally invalid since almost all of them are predicated on the

belief that one or the other disputant will benevolently renounce some hard-won advantage favorable to his position.

Absentee ownership is continually attacked as the prime evil of industrialism. Without admitting that absentee ownership is in itself destructive, there are numerous reforms that can and must be made without dislocating the delicate relationship between finance capital and management. However, absentee ownership cannot be entirely eliminated. Where one invention can destroy the entire value of an industry overnight, necessitating expensive reorganizations beyond the resources of carefully nurtured reserves, then finance capital must be employed even though it lead to the various evils of absentee ownership. But labor leaders are hardly interested in this aspect of industry. They see themselves as bargaining agents, pitting the security and future of their members against the future and stability of management. It would prejudice their case to admit that the future of the worker is ineluctably bound up with the future of management.

To recount the virtues of management would be surperfluous at this time. Long ago labor evaluated paternalism as nothing more than enlightened selfishness on the part of management. Nor is it apposite to list the exhortations that labor has leveled at management in the hope that they should so far neglect their own interests as to take them seriously. Labor recognizes that the half-nude anthropoid, so lovingly employed as a dramatic symbol, needs something more than his bare fists if he is to realize even a few of his destructive objectives. In the light of these facts, is it any wonder that management fights with every weapon at its command to preserve an economic scheme which, if far from perfect, they sincerely believe can be modified without the destructive extremes all struggles for power evolve?

Since the whole question of labor and management has resolved itself into an open struggle for power both sides have become pensively interested in the future. Numerous seers, who have plotted eventualities in a logical line, return a gloomy answer, although it must be remembered that their thought-processes ignore all modifying factors which may, at any stage, divert the force of the struggle into entirely different channels. However, assuming that the C.I.O. wins through to an equal bargaining position with management, the outcome is inevitable. Both parties will logically turn to Government agencies hoping in this way to secure the necessary support to establish ascendancy. Under a democratic form of government this can have but one result. Management will resort to bribery and corruption as it has in the past, seeking in this way to outbid a united labor front whose advantage will naturally be at the polling places. Virulent strikes will nullify the processes of mass production, and management, faced with destruction, may very well attempt to settle the issue through a resort to subsidized force. Fortunately, this train of events is based wholly on extremism. No one doubts, and management least of all, that the inherent antagonisms between labor and capital can be reconciled peaceably.

For Industrial Unions: Labor admits the charge that it has resorted to force; it admits that it has taken the initiative—as far as the present strike is concerned—in resorting to illegal instruments; it does not argue the lawfulness of the sit-down strike.

But it seeks to justify these measures on two grounds: Firstly, that industry has set the pace in the use of violence, from the time that Frick called in the Pinkerton men to settle the Homestead strike by force, down to the reign of Pearl L. Bergoff and the disclosures of espionage being made before the La Follette Committee during the actual progress of the C.I.O.-G.M.C. controversy. Secondly, the unions maintain that the law is several jumps behind the times, that it exists to prop up the industrial status quo, and that it provides no method for peaceful change of that status quo.

In short, the unions claim that industrial relations have been carried on with clubs, and that the strike is the only available weapon to use against a powerfully fortified opponent. Under these circumstances, unions cannot see why legality should be demanded of labor when the law is stacked against it, and why virtue should be expected of workers and not employers.

Are labor unions a racket? This charge is thrown in the face of union organizers with monotonous frequency. The Dewey investigation has shown up some unions as such; demands are made that union books be opened up to the public, in the same way that they are in England.

The union movement meets these accusations with counter-charges: "Public responsibilities," they say, in effect, "go with public privileges. Unless we are recognized as public bodies, we see no obligation to observe such

responsibilities." And again, there is implicit in union action the question that, if a racket be defined as the exploitation of a large body for the gain of a small minority, then what does the following consideration make of the General Motors Corporation? In 1935, 27 executives of General Motors received over $50,000 each, totalling $4,192,773; for all of them, this represented an increase of 50–100% over the previous year, at a time when workers received a 5% hourly increase.

One argument advanced by employers is that their interest in the workers is paternal, that they represent the "goose that lays the golden eggs", and that the workers' interests are safest in their hands.

The unions' answer to this is that the large industries, particularly steel, comprise feudal estates. You are brought into the world by a company doctor, you are married by the company priest, and you are buried by the company undertaker. But the objection is that the nexus between employer and employee is not personal, but financial. The employer is responsible primarily, not for the workers' welfare, but for the profits of a financial oligarchy which permits his continued operation. Hence, most employers could not, even if they would, assume this paternalistic attitude. A Mr. Ford, with his financial independence, is an exception; but for a Mr. Sloan, who is accountable to the du Ponts, it would be a betrayal of his primary responsibility.

Proceeding from this, it is clear to union organizers that, under the present set-up, labor must look after itself.

Starting from this point, the C.I.O. argument runs as follows: The freedom to strike his own bargain is an empty privilege for the overwhelming majority of workers. It implies the employer's unrestricted right to hire and fire—and too many "finks" have been hired under the sanction of this principle. It does not imply a corresponding freedom for the worker, since technological unemployment has created a glutted labor market. When it comes to bargaining, what chance has an individual worker against the centralized power of the employer?

Hence, according to the unionists, there is a clear-cut case for unions as the only means of introducing any equality of bargaining conditions. But the case for industrial as opposed to local unions rests on three further considerations: (a) With the integration and consequently unified control of industry, a national organization is necessary to gain complete equality of bargaining. One aspect of this issue was expressed during the G.M.C. strikes, when the unions asked whether, as an alternative to a national agreement, the management would "continue to give us the run-around by passing the buck back and forth between the plants and the main offices?" (b) It is true that a national union means outside control of the worker in any given factory. But this outside control is independent of intimidation, discrimination against union activity, or even against those working for improved conditions. (c) A union implies a better bargaining position for labor, therefore better wages—that is, higher labor costs for the industry involved. If only a few plants are unionized, they must inevitably suffer as regards their competitive position in the industry. If, on the other hand, the industry is organized on a national basis, all compete on the basis of common labor standards, redistribution of income is achieved fairly, and the "chiseler" who would improve his competitive position by lowering his labor standards—an enemy of employers as well as of employees—is eliminated.

Wider Questions

In the final analysis, the issues broaden out far beyond the specific merits and demerits of labor unions, industrial or otherwise.

Pacific settlement of disputes implies some other standard of working conditions than the amount of brute force that can be commanded by either side. But if there is a fair and desirable wage for labor, it is apparent that there must be some conception of a reasonable return to capital. If labor succeeds in gaining a larger slice of the melon, and industry reimburses itself by charging higher prices, then the public bears the burden, and the whole purpose of a more equitable distribution of wealth is defeated. Again, industrial unions, particularly in coal, have already discovered that organization avails them nothing in an unstable industry.

The G.M.C.-C.I.O. controversy has been more than a specific labor dispute. It is a cross-section of an infinitely more complex problem of social, economic, and constitutional significance.

Another Flood Disaster

IT IS an old story, told many times in the past without much novelty or variation. We heard it all in 1927 and again in 1934. The latest disaster may have been a little bigger, but that is about all. The headlines read much as they did ten years ago, and the incidents are about the same. You can count the dead, enumerate the homeless, compute the loss, and arrive at a reasonably accurate appraisal of the cost. You can read about the tragic fate of human beings until you are numb with horror, and you can work yourself into a veritable passion because what should have been done was not done. When all has been written and said, however, it is just another flood, just another grim reminder of our failure to meet the challenge of a neglected land and a neglected river system. (See map showing Mississippi flood lands and Army engineers' estimates of the flood's peak.)

In 1927, the flood was confined largely to the lower Mississippi, and because of the wholesale misfortune involved, the Government took prompt and effective action. The Mississippi was dyked and barricaded under the supervision of army engineers at a cost of nearly a billion dollars. That is why this stupendous flood flowing into the Mississippi from the Ohio did so little damage below Cairo. The Mississippi levees held, even though they had to take care of all the waters pouring into a funnel from 10,000 miles of branches and tributaries.

We have shown what could be done on the downstream end of the Mississippi. Now it remains to show what can be done on the upper end. We have had plenty of warning that it ought to be done. Time after time, the Ohio, the Missouri, and other main branches of the Mississippi—not to mention scores of similar tributaries—have gone on a rampage.

If it is just to attribute to the depression lack of business leadership, it is equally just to attribute the preventable part of this latest disaster to the lack of political leadership. We had the warning and we had the means, but we did not do the job. Even with ten million people begging for work, we did not do the job, and that, after all, is the lesson of our misfortune.

Four or five hundred dead, a million homeless, and a property loss of more than half a billion—how much of it could have been pre-

vented? How much longer are we going to ignore this ever-present problem?

As a people we have a right to be proud of our willingness and ability to rush to the rescue of those in distress and our good fortune in saving so many. We cannot claim any such credit, however, when it comes to the things we might have done and failed to do. As between the prevention of flood and depression, we are much surer of our ability to make headway in the former than in the latter. We know how to build strong dykes, provide reservoirs, and locate dams. We have proved it.

The President has presented a comprehensive plan for continuing and extending the work of flood control. No feature of his program for stabilization and social security is of more importance, or merits more speedy and favorable action.

England and France Approach the Reich

ON JANUARY 17, the Spanish civil war could boast of a six-month life. It had passed through the initial stage—the planned but unsuccessful sudden coup on the part of the rebel generals—in the short space of a few weeks. The failure of that plan involved the second stage—the long series of rebel victories, won largely by virtue of foreign fascist aid. By November 7, General Franco was at the gates of Madrid. However, the Government forces had by this time received munitions from Russia, the International Brigade had been formed, and time had been gained for the training of Spanish troops. The third stage then commenced, with the long siege of Madrid and a virtual deadlock.

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HERR HITLER: "It is not yet realized that the revolution in this country is democratic in the best sense of the word."

For the remainder of the war, the Government has certain assets: A greater unity has been achieved among the various groups comprising the Popular Front. In September, Socialists and Communists and even the conservative and Catholic Basque Nationalists joined Largo Caballero's Cabinet. In November, the Anarcho-Syndicalists, long bitter rivals of the Socialists, entered, following the earlier example of their colleagues in Catalonia.

During the prosecution of the war, the Government has found time to put through certain measures of a socialistic nature, which will help it in gaining popular support. This trend has been more marked in Catalonia, the actions of the Valencia Government having been prompted essentially by the demands of the war. The loyalists enjoy a gold reserve of approximately $700,000,000; they command major industrial regions in Catalonia and Asturias, as well as important agricultural districts in Valencia and Catalonia.

The rebel junta at Burgos, on the other hand, has suspended agrarian reform and made religious instruction in schools compulsory. Such moves, combined with the nature of the supporters of the rebels, have restricted the amount of support the rebels have received from the Spanish people. Consequently, the rebels have relied mainly upon foreign help. The Foreign Policy Association quotes a January 8 estimate placing the number of foreigners, exclusive of the Moors and the Foreign Legion, at 30,000 with the rebel forces and 20,000 with the Government.

At this stage, it appears that the longer the war endures, the better will be the loyalist chances. That prediction, however, may be falsified by any substantial increase of foreign

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assistance to General Franco, such as that which made possible the capture of the key city of Malaga.

France and England Propose

After the series of disappointments over non-intervention, England decided on January 10 to take unilateral action, forbidding the departure of volunteers to Spain; at the same time, notes were despatched to Berlin, Rome, Moscow, and Lisbon expressing the hope that the other powers would follow suit. France took the same action within the week, and the two democratic powers hoped for the best but feared the worst concerning the answers they would receive.

The next step taken by these two nations was to offer Germany an olive branch in the form of economic assistance, the implication being that Herr Hitler should join in some European settlement in return. In Mr. Eden's words, "economic collaboration and political appeasement go hand in hand." He appealed to Germany to abandon her extreme nationalism and urged her to regard every European nation as a potential friend.

Premier Blum followed with a speech couched in similar terms. He did not want to buy German concessions with economic assistance, but he stipulated that economic agreements could not be considered without some political accord.

Hitler Disposes

While these speeches were being delivered, the fascist alliance, shaken by the Anglo-Italian Mediterranean agreement, was being revived in a series of talks between Mussolini and General Goering in Rome.

On the question of intervention, Germany and Italy appeared to be in a more conciliatory mood. Replying to the British note on January 25, they agreed to stop the flow of "volunteers" into Spain, on the condition that a satisfactory scheme of control be adopted. That condition, nevertheless, was a substantial one, particularly in that the Rome meetings produced a statement that the two fascist

BUT HE'S STILL AT LARGE! — *South Wales News, Cardiff*

powers would continue to support Franco, morally if not materially.

The Rome meeting also produced another reef on which England and France, both waiting for Hitler's speech on January 30 for an answer to their proposals, might well have expected any scheme for a European settlement to founder. That was the fascist resolution to revive the old Four Power Pact—a move which would exclude Russia from any conference and would, in effect, be directed against her. Both England and France were still insisting upon the maintenance of the Soviet-French agreement and the non-exclusive nature of any European concert.

Such pessimistic expectations were amply justified by Herr Hitler's review of four years of National-Socialist rule, delivered on January 30.

Pacifists took pleasure from his assurance that Germany, having achieved equality, would be willing to join in any cooperative effort to solve the world's problems. And the wiping out of one of the remaining vestiges of the Treaty of Versailles through repudiation of Germany's signature of "war guilt" clause could be accepted as a matter of course. But, against this, der Fuehrer steadfastly refused to abandon the four-year plan for greater economic self-sufficiency, even if he did have a good word for economic cooperation. Of more significance was the statement that there could never be agreement between Germany and Soviet Russia; the Reich would accept guarantees of security in the West, but would make no commitments which might restrain her in the East.

All of which left England and France, together with their schemes for European peace, just exactly where they were before.

ERRATA: In the map of Germany's former colonies, on p. 37 of the February issue, the western portions of Togoland and Cameroon should have been attributed to Britain, and the eastern portions to France. In the Pacific, Australia administers the mandated section of New Guinea, and the western Samoan islands are mandated to New Zealand.

Soviet Russia's Trials

DURING the last week in February, the Soviet régime set the world a conundrum, demonstrated that, the new constitution notwithstanding, democracy as known to the rest of the world is still a long way off, and committed an act which has deprived the U.S.S.R. of more friends than any other single move. Thirteen defendants in the climax of a series of trials by which the régime has been weeding out its foes at home since 1926 were sentenced to death, and the remaining prisoners were given ten-year prison terms.

It is at least abundantly clear from the trial that Stalinism is in the saddle and is determined ruthlessly to weed out Trotsky's doctrines and supporters. In other words, whatever the validity of the Trotskyist argument that a single socialist state cannot persist in a capitalist world and that the world revolution must follow the national revolution, the present Soviet Government is determined to let the rest of the world go its own sweet way and to concentrate upon preserving Russia as a nation. But the further aspects of the trial do little more than open up innumerable channels of controversy.

Stalin's Riddle

The trial and the subsequent sentences present a bewildering series of leading questions. Why should Stalin decide to deprive the U.S.S.R. of the able—and in some cases almost indispensable—services of such persons as Karl Radek, whose brilliant pen had made him the outstanding journalistic spokesman of the Soviet régime, of Gregory Sokolnikoff, who was credited with being chiefly responsible for Russia's financial stability and whose services as Ambassador to London had done much to further the essentially Stalinist policy of diplomatic friendliness with the Western democracies? This is not to mention the lesser lights who included former Assistant Commissars for Heavy Industry and Communications, a former secretary of the Moscow Soviet, and a correspondent who had established a firm reputation at Washington.

Then again, why should Stalin take this step at a time when Russia patently needs the friendship of the democratic powers, as fascism marches strongly in Europe? Granting that these democratic powers would welcome an emphatic denial of the Trotskyist proposition of fomenting a world revolution, it is not credible that the diplomatic powers-that-be failed to realize that the form which the denial eventually took would kick back in an undesirable way.

The conduct of the trial itself, like that of its predecessors, was equally baffling. The defendants vied with each other in establishing their own guilt, unemotionally and without fear. They planned, they said, to seize power by murdering Stalin and Molotoff; they were going to sabotage the nation internally, and were working hand-in-glove with Japan and Germany, being prepared to hand the former Russia's Far Eastern oil resources and the latter the Ukraine. They were condemned on the basis of this scarcely believable confession, and without the corroboration of circumstantial evidence.

Answers—Possible and Probable

In the distant future history may tell the truth about the trial. To date, those who are on the spot have to cope with a censorship, those who are outside Russia have to rely substantially upon speculation and their own prejudices. The answers proposed run from the probable to the impossible, and from the sublime to the ridiculous.

In the present absence of a finally acceptable truth, these various answers are worth recording; in varying degrees they shed new angles on the mystery.

The Legalists: Any evaluation of the trial must start from the premise that Soviet law is fundamentally different from its Anglo-Saxon counterpart. It is preoccupied with the defense of society rather than the defense of the individual. This immediately explains the severity with which crimes against the state are regarded—a fact which is generally incomprehensible to those who have only known other forms of law and which explains the stringent measures taken in the present instance. Secondly, in the U.S.S.R. the court trial itself is only the last and the least important of a series of investigations, all of them secret, in which the defendant is examined, witnesses called, and the evidence sifted. After the "judicial inquiry", the accused comes to the court trial with a strong presumption of guilt already established; the court trial merely gives him or her an opportunity for a last word before the sentence is passed. Nor is the prosecution under any legal obligation to publish docu-

mentary evidence disclosed in the process.

This legal explanation undoubtedly explains accurately much in the trial that is otherwise strange; but it is not the whole story.

The Stalinist View: The most objective apologist for the Soviet Government is Walter Duranty, *The New York Times* correspondent. The qualification must necessarily be made that despatches out of Russia are subject to censorship.

Mr. Duranty accepts the premise that the defendants were genuinely guilty: "And it is sadder and more dreadful to hear them [your friends] hang themselves with their own words. . . . Stalin himself had confidence in Radek until the evidence—and Radek's own confession—made doubt impossible." And again, concerning the Trotskyist link with German fascists, as revealed during the testimony of Stroilov: "It sounds ridiculous and thin, but the way Stroilov told it, it was natural and convincing. One could see this man getting deeper and deeper until at last he was a pliant tool of German spies and wreckers."

The extraordinary nature of the confessions Mr. Duranty attributes to "something in the Russian character—as Dostoyevsky shows abundantly—which, when confronted by overwhelming proof [as uncovered by the G.P.U.], as Radek also said, finds it useless to deny further."

In this view, established guilt, plus the Russian character explains all.

The Trotskyist View: Trotskyists look upon the Stalin Government as a political "gang", with misguided ideas for the institution of socialism, who have established their machine and are determined to wipe out all adversaries in the manner of a Hitler. The trials, from this point of view, have been nothing more nor less than "frame-ups", and the confessions, it is held, were extorted under duress of an unmentioned nature.

Leon Trotsky, at whom the trials were obviously aimed, writes: "The truth is that, in none of the trials has there figured an authentic letter, document or any irreproachable testimony. . . . If the opposition is in truth so hostile to the Soviet Union and to socialism, if it is at the service of enemy countries . . . then the G.P.U. should have been able to accumulate in these fourteen years of punishments, arrests and violation of correspondence a great number of real proofs. The G.P.U. had no way of obliging the true oppositionists to capitulate even under pain of death. So in order to fake a trial against Trotskyism they have been obliged to use the capitulators, my most ferocious enemies."

"Those Mad Russians", etc.: These are the two polar views. If the Stalinists are right, then internal dissension in the U.S.S.R. has been infinitely more serious than appeared on the surface; if the Trotskyists are correct, then the Stalin régime has betrayed its socialistic ideals, and the liberalized constitution was simply a decoy for the democrats.

There are also a miscellaneous collection of opinions, holding that the defendants were drugged; or that they were never executed and that the victims of the last trial are now enjoying life at a Russian seaside resort, wearing false beards; or that no Westerner, with only a partial apprehension of the facts, can follow the labyrinthine processes of the revolutionary mind, particularly when that mind has an Oriental cast. And here the agnostics have the most to recommend their case.

Domestic Conflict in Japan

WHEN Kunimatsu Hamada, leader of the Seiyukai, the chief minority party in the Japanese Diet, rose from his seat on January 21 and launched a virulent attack upon the militaristic Hirota Government, he was doing no more than expressing the sentiments of an increasing number of Japanese who are beginning to question the wisdom of allowing the Army to drag them across Asia. The Hirota Government was, he claimed, the most unpopular he had seen in 30 years; it was permitting the Army to interfere unduly in politics and, by so doing, was leading directly to the institution of a fascist régime in Japan.

General Count Juichi Terauchi, the War Minister, immediately accused Hamada of insulting the fighting services, a heated debate followed, and two days later the Hirota Government was obliged to resign. On January 25, the Emperor commanded Kazushige Ugaki, a retired General of moderate political views to form a Cabinet. But the Army's "Big Three"—Generals Terauchi, Umezu, and Sugiyama—hinting at various mutinous incidents in 1931 and 1932 in which General Ugaki was said to have been involved, refused to permit any Army officer to take the War portfolio. As the defense posts in the Cabinet must be filled by members of the services, the Army successfully vetoed the Emperor's commands.

One compromise having failed, the Emperor called upon General Senjuro Hayashi to form a Cabinet, which he did on February 2. The new Government, even weaker than the last, will probably continue in a mild way to weaken the Diet and to increase military expenditures and economic control. But the internal conflict, occasioned by Japan's imperialistic adventure, is not amenable to treatment by continual compromise; economic stresses will demand either a halt upon the penetration of the continent or a change in the Japanese political and economic set-up.

Costs of Empire

If you are a Japanese taxpayer with an income of $1,500, this year you will be dunned by the Treasury for $70, whereas last year the tax was only $50. If you have an income of $30,000, you will have to pay $6,600 in 1937, as compared with $4,500 in 1936. This is not to mention the heavy indirect taxes introduced in the last budget, which weigh on all classes—proportionately more heavily upon the poor. Nor is there much prospect of relief. The annual deficits since 1931 have amounted to three billion yen, and the year 1937 is expected to see a deficit of nearly one billion. The national debt stood at the peak figure of 10,800,000,000 yen on January 1, and as, even with added taxation, the budget will still run short, the burden for posterity to carry will continue to mount.

As you seek for a scapegoat, you will find that Japan has invested some 2,500,000,000 yen in Manchukuo—both directly and indirectly for military and political administration. Before the Army took the bit in its teeth and seized Manchukuo, the usual budgetary expenditure upon the fighting services was less than 500,000,000 a year; in 1937 it will total 1,400,000,000. And, as yet, there is little to show on the credit side of the ledger for the enterprise.

If you belong to one of the great industrial concerns which dominate Japanese economic life, you will find your dynasty threatened by the institution of progressive income and inheritance taxes, which you will be obliged to pay in order to support the Government's credit; furthermore, as the sole source of capital for the Government's bond issues, you

NEA Service

TIMELY QUESTION

NEA Service

WELL, WE'RE GLAD TO KNOW THAT

will have to dig deep into the company's reserves.

Finally, if you are one of the working classes, you will discover that rising prices and indirect taxes are cutting wages that are already minimal, while your employer, caught between heavy taxes and the low prices necessary to maintain his volume of export trade, offers no prospects of any improvement.

Parties to the Conflict

The most powerful opposition to the Army comes from the industrial dynasties, who are beginning to feel the pressure of new taxes and new demands for loans. They do not exclusively oppose the idea that Japan should expand, but they hold that new possessions should be complementary to the Japanese economic structure and should yield a reasonable return as a commercial investment, rather than being exploited at tremendous cost for essentially military purposes.

The Army, on the other hand, would push on beyond Manchukuo into North China, notwithstanding the inevitable economic costs. The logical outcome of this policy is a rigid control of the Japanese economy and, probably, a virtual if not actual dictatorship. Already some steps have been taken in the direction of such State control.

The Army, however, is more united on the question of China than it is upon that of Japan. The older officers are generally connected socially or belong to the same aristocracy as the large business interests. The younger officers and the rank and file, on the other hand, who showed their ambition and their strength at the Showa restoration, spring for the most part from the lower middle classes. As such, they have been exploited by the business families, and the type of economic control they envisage would be infinitely more to the interests of the working and agricultural classes than has been the case with fascist régimes elsewhere.

Business elements would like to cooperate with the Army for the purposes of suppressing social unrest at home. But the objectives of the younger militarists emphatically preclude this possibility. For the moment, they are placing their faith in the sympathy of the Emperor and the assistance of the Diet, which by virtue of their funds they are somewhat able to control—a further reason for the Army's desire to abolish that institution.

Hitherto, this cleavage between business and the Army has been concealed by compromise, usually through the appointment to office of members of the old bureaucratic nobility, who have indulged in a hazardous tightrope act. But increasing economic tension will make the balance more difficult to preserve. And beneath the struggle between the two groups is the suppressed discontent of the agricultural and industrial workers who have suffered at the hands of both of them.

JAPAN AND THE FAR EAST

The "Open Door" is slammed tight in the face of the Western powers

Japan

TODAY the Far East is Japan. Any consideration of interest, any prophecy of the future, must be predicated on the dynamic force that is Japan. Unfortunately, in the past, objective appraisals have been colored with Occidental sentimentality. And it is not surprising that the Orient considers such Occidental appraisals hypocritical exhibits. It is no profound mystery to them that the "Rising Sun" has risen in the East.

Measured by the standards of international law, Japan appears at once incongruous, arrogant, criminal, presumptuous, and naive. Measured by the standards of historic success Japan is shrewd, forceful, and progressive. But it is at the pivotal point of Western legality that Japan comes a cropper in the eyes of civilized nations. Since the war legality has become the religion of many sincere people. They have breathed it abroad, and have carried it into action through the League of Nations. To them it is a continuing reality, freezing the status quo—a guarantee of a complacent age in which to enjoy the spoils of past victories. To the Japanese international legality and its attendant morality is a cunning machinery wholly dependent upon the willingness of other nations to submit to repression. The Japanese will not submit.

Japan's Game

In learning the historical lessons Japan has been an admirable student. During the period of her national adolescence she learned both the short-comings of Japanese diplomacy when faced with the superior cunning of western diplomats skilled in the preservation of the status quo, and the efficacy of force. Having defeated China in 1894, her diplomats were robbed of the spoils at the council table, when Germany, France and Russia threatened violence. Having defeated Russia in 1904, Japan warily retained the well-placed foothold she had won on the Asiatic mainland despite a robust diplomatic deal engineered to checkmate her. During the World War when diplomatic cunning was on the defensive in the face of world-wide violence, Japan intensified her program of expansion in Asia and it was then that the "Twenty-One Demands" were served on China which, if legally accepted, would have made China a vassal state of the Land of the Rising Sun. But again Japan was outslicked in council at the Washington Conference (1921–22), where this bold stratagem was annulled. However, this was but a temporary check. The past seven years has seen Japan seizing by force what she was unable to seize by guile, abandoning the council chamber, where she recognized her own inadequacy in diplomatic cunning, for the field of action where a naked bayonet is its own unanswerable argument. And it is this latter phase of dynamic progress that is so unpalatable to the legal-minded diplomats of the West. Japan has refused to play their game, and they are afraid to play hers.

Economic Base

What enables Japan to execute a program that would wreck the economy of most world powers? How can she undersell the fathers of industrialism in their own markets, and how spend 46% of her budget on armaments without inviting the revolutionary to sow on land made fallow by the sacrifice of human alleviation to the purchase of cannon? Numerous answers have been given to these questions, each one testifying to the unity of Japan and describ-

JAPAN'S RESOURCES: Diverse, but limited, they are driving Japan on to the continent.

ing the peculiar ethnic conditions that have permitted the superimposition of modern industrialism upon a feudal society. In brief, Japanese economy begins with the agriculturist producing cheap food for the family industry and the factory workers whose incredibly low compensation demands correspondingly low food prices. And Japanese economy also ends with the same impoverished agriculturists upon whose back the pyramid of modern industrialism is based. It is from his cheap food that the low paid factory worker is nourished; it is from his progeny that the Japanese soldier is conscripted and the ranks of factory labor and prostitution are replenished. But these Japanese "slaves" are in no position to protest, even if they knew what to protest, since the majority of them are still unaware that the ancient ways have undergone a superficial change. And yet, it is because of this tightly welded economic base that Japan is in a particularly happy position to compete industrially in the international markets. This broad "slave" base creates national flexibility. It permits Japan to move forward or back, to change direction with astonishing rapidity without internal hesitation or debate or the subsequent disorders consequent to the

diverse demands of internal factions whether for greater profits or a rising living standard for the peasantry.

Japanese Flaw

At the apex of the Japanese pyramid are a dozen family dynasties controlling the wealth and material resources of Japan through outright ownership. Ruling with them by virtue of the Ito Constitution is the Army. And it is the Ito Constitution permitting the Army to rule by simply failing to concur in the appointment of ministers that at times creates the wild mélee when it is impossible to tell whether the Army is ascendent over the economic dynasties or vice versa. However, the result has ever been the same. The Army has supplied the explosion, and the economic overlords have given it directional force. Whatever the domestic conflict, it has been one of degree with the economic overlords tempering the ardor of the Army, and the Army dragging the more timid in the path of the bayonet. None can doubt the efficacy of this method in the light of past events, although many purport to see the flaw in the Japanese unity, including some Japanese educators to whom it has already become a nightmare. Beginning with the economic rulers, the flaw runs parallel to the loosely sealed economic gap between them and the lowly agriculturists. At the moment it is little more than a crack, and yet with the proper tools it might easily be opened to a yawning canyon. To understand this is to understand Japan's intensive belligerence towards Soviet Russia, the one power of all powers with whom she could, and would like to, live in complementary harmony. Japan fears communist Russia, although she is convinced of Russia's pacifism. It is not communist cannon, but communist ideas that disturb her dreams. In Japan's present stage of industrial development she can neither afford the ill will of her lowest human integers nor can she purchase their good will with a higher living standard. To do this would be to sacrifice her edge in the world markets. For this reason she pursues an active policy against communism at home, while at the same moment she peacefully irons out her difficulties with the Soviets over such explosive questions as fishing rights in the Kamchatka waters.

Japan and Manchuria

On September 18, 1931, someone set off a bomb under the tracks of the South Manchurian railway line. The Japanese said the Chinese were responsible; the Chinese answered in kind. It didn't make much difference, anyway. For the damage to the railway could have been fixed up by the expenditure of a few dollars, and the Japanese had been waiting for some such inevitable incident to set in train events which would run the League of Nations and the Western powers out of the Orient and establish Japan as a ranking colonial power in her own right.

Following the incident, the Japanese occupied Mukden. The Chinese Government appealed to the League of Nations. By the end of the month, the League Council agreed that Japan should evacuate Mukden as soon as circumstances permitted. While the League Council was still worrying about Mukden, the Japanese had decided that "circumstances did not permit" the evacuation of that town and that they would have to stay as a guarantee against the depredations of Chinese brigands; furthermore, they had occupied more of the surrounding territory. When the Council met in October, they found themselves one play behind the game. The same thing happened in November. By the time the League had passed resolutions condemning one Japanese misdeed, the Nipponese army had committed another—generally in the name of "law and order"—which rendered the League's words obsolete. And so, by March 9, 1932, Manchuria was in the Japanese ice-box; it was now Manchukuo, with Henry Pu-Yi as its puppet Emperor and with its own "Organic Law."

Stresses and Strains

In this way Japan did three things. She had run the League of Nations out of the Far East and openly violated the Wash-

ington treaties guaranteeing the territorial integrity of China of which Manchuria had constitutionally been a part. In short, she had ripped down the façade of legalism which had politely veiled the deeper political and economic stresses and strains in the Far East.

As a corollary, Japan actually if not nominally established her position as the guardian of the Orient; other nations, acting collectively through the League, or individually, were given notice that, in a reign of power politics, treaty rights or any other rights could only be preserved at the point of the sword.

The Japanese Foreign office did not declare its Far Eastern "Monroe Policy" until April 1934, but the fact was established for the world to see in 1932. It took even longer for the accomplished fact to seep through to official recognition by the Western powers. In the light of the established intentions of the Japanese military clique, the Lytton Commission, which presented its report in September 1932, was only a pathetic attempt to establish rights when there was only might. Mr. Stimson's declaration of non-recognition of territories acquired in defiance of such instruments as the Kellogg-Briand Pact, issued in January 1932, was no more than an ineffectual appeal to a legal structure which existed only in the wishful hopes of international idealists. The patent inability or unwillingness of the Western nations to act in concert to defend any system of international law lent a strong irony to their appeals.

Sanitary Cordon

Japan's second achievement was strategic. Manchukuo under the puppet Emperor was the first length of the great belt of Japanese-controlled territory which Tokyo would like to stretch from east to west between China and Siberia and Outer Mongolia. Such a sanitary cordon would cut off China from the assistance she might obtain from Russia. It would also check the spread of an ideology which, were it to gain a foothold on the continent, would be so much potential dynamite on the front-doorsteps of Japan's ruling mansions. In 1927 the Chinese Communists had come too near to victory for the comfort of any Oriental capitalist, and since then the stray Communist bands which had been hounded through the country had managed to leave an impression of giving the peasants a better break than either a Chinese landlord or a Japanese overlord.

Thirdly, the Japanese economy, working under high pressure, insistently demanded markets which its own impoverished population could not supply and sources of raw materials lacked by an empire which listed itself among the world's "have-nots." Japan needed coal, iron, gasoline, and cotton. Perhaps Manchukuo would help.

Iron and Oil

Since 1932, the Japanese state has been exploiting Manchurian coal, iron, and cotton resources. A private monopoly has been taking out shale oil. Between 1929 and 1934 Japan's share of Manchuria's imports increased from 42% to 64%. Strategic railways have been built.

But Japan wants the coal resources of the five northern Chinese provinces; Korea and Manchukuo are deficient in iron ores; experiments in cotton production have not been substantially successful, and Japan had to look further abroad for oil. Strategically, the seizure of Manchukuo was only the first move in separating China from Soviet Russia.

And so economic and political factors drove the Japanese Army still further; if Manchukuo was a stopping place in the march into the continent, it was but a brief one.

Japan and the Soviet Union

With almost monotonous regularity the USSR has insisted that there are no concrete points at issue with Japan, such as fishing and oil concessions, which can not be solved through peaceful negotiations. Japan agrees, sotto voce if none the less

sincerely. The more reasonable elements behind the Japanese Army, including the Imperial Court and the civil authorities prefer such a course to a costly and dangerous war. However, to suppose that the future of Soviet-Japanese relations is solely dependent upon the attitudes of the respective governments is naive. It will always be conditioned by the manouvers of those other nations interested in the Far East. For the Far Eastern problem is rooted in the imperial conflict between Japan, Great Britain and United States seeking to control the rich China market. To suppose that in the future these nations will be dominant factors in China is to ignore the present situation. Japan has already asked them to leave in a more or less gentlemanly fashion. They will either go quietly, and with the dignity of great powers or will be tossed out on their ears. And then perhaps the Far Eastern problem will be wholly contingent upon Soviet-Japanese relations. Until that time there is no fundamental antagonism between them.

Lines of Demarcation

Already Japan and the USSR have taken the lines they will follow in the future barring a European war or an internal revolution. Japan has occupied Manchuria creating the independent state of Manchukuo and practically severing direct contact between China and the Soviet. From Manchukuo the Japanese arms have pushed tentatively north toward Outer Mongolia, and finding their way blocked by the Soviets, turned westward into the northern Chinese provinces of Hopeh, Shansi, Suiyuan, Shantung and Chahar. This was a nesting manouver with the Japanese Army feeling out its practical depth and breadth of penetration without going to war with the Soviets. The skirmishes between Soviet-supported-Mongols and Japanese patrols were the natural result of this policy of testing normal resistances before staking out permanent lines of demarcation. The sequence of events incurred logical balances.

In 1935 the Soviets conceded the loss of the Chinese Eastern Railway by selling their interests to the Japanese. In 1936, Stalin, the general secretary of the Communist Party of the USSR declared emphatically that the USSR would come to the defense of the Mongolian People's Republic (Outer Mongolia) if it were attacked by Japan. Following this declaration of policy which climaxed a series of Soviet moves to check the Japanese, the situation speedily clarified. Always a dangerous question the Kamchatka fishing rights were discussed with the Soviet yielding on many points in return for a promise of active support in the Diet for a Soviet-Japanese non-aggression pact, for redemarcation of the borders between USSR and Manchukuo, and also between the latter and outer Mongolia. This much for the negotiable side of the Soviet-Japanese ledger. On the other side is the Soviet Far Eastern Army facing a sizeable Japanese force from behind a formidable barrier of concrete forts stretching along the uneasy Monogolian borders. And if this seems incompatible with peaceful settlements it must be remembered that Moscow has always treated the Japanese problem realistically, recognizing the fact that in the event of European war, Japan would be unpardonably inconsistent if she did not seize everything in sight on the Far Eastern front. The Soviet arms are there just in case.

Soviet Propaganda

Assuming that a quiescent China would best serve the end of Japanese imperialism the Tokyo government looks beyond the primary phase of Soviet arms to the secondary phase of Soviet political ideology which is essentially dynamic. They see in this despite protestations of Soviet innocence a living policy of world revolution destructive to the peace of China—a submissive peace all essential to profitable Japanese exploitation.

In fact, the Soviets have employed a subtle propaganda to stir up the Chinese masses. Throughout Mongolia they lavish

money and attention on the simple tribesmen, supervising their granaries, installing clinics, and in effect rehabilitating them along Soviet lines. Such exemplary prosperity has not been lost on the Inner Mongols nor the northern Chinese. They are beginning to regard their neighbors enviously and to ask pertinent questions. As yet the Japanese and the Chinese leaders have found no effective antidote for this subversive doctrine of full belly and warm back.

Japan and North China

By March, 1933, Japan had mopped up Jehol, added it to Manchukuo, and brought within her area of control virtually the only good coking coal in China. Into the bargain, the Japanese boundary now extended down to the Great Wall of China. To the northwest, west, and southwest lay the coal fields of Hopei, Chahar, Shantung, and especially Shansi, Chahar's iron ores, and a vast cotton-growing area which promised humming Japanese mills relief from dependence upon the United States, Egypt and India.

On this occasion, the Great Wall of China failed in its original purpose, and the invaders poured relentlessly through it, advancing to within a few miles of Peiping and Tientsin. In May, the Japanese were able to dictate their own terms, which were embodied in the Tangku Truce, granting the Chinese a humiliating armistice. The chief provision of the treaty was the demilitarization of a large portion of northern and eastern Hopei; the Chinese armies were evacuated, and the preservation of law and order was entrusted to a small Peace Preservation Corps. Other provisions remained undisclosed; later these assumed importance as they afforded Japan a pretext for taking action over their alleged violation. Of equal importance to the Japanese was the extension of the principle embodied in the Lansing-Ishii agreement of 1917, that territorial contiguity and propinquity create special interests; in short, that as soon as Japan had occupied Manchukuo, she had a special position regarding the territory lying next on her line of advance.

Tokyo's Ambition

A lull followed the Tangku Truce. But in early 1935 the Japanese charged a breach of the "spirit" of the agreement. Japanese troops were concentrated in the area, and throughout the year Japanese propaganda called for the creation of an "autonomous" government for the five provinces of Hopei, Chahar, Suiyan, Shantung, and Shansi. The net result fell somewhat short of this ambition: at the end of the year the East Hopei autonomous government was established under Yin Ju-Keng, who had been educated in Japan, had married a Japanese wife, and who spoke Japanese as well as his native Chinese. The new regime controlled approximately a quarter of the province's area and 6,000,000 subjects, and was followed by the institution of the Hopei-Chahar Military Council—a less brazenly Japanese concern.

The three remaining provinces in which Japan has claimed a "special position" have so far escaped the domination of Tokyo. But the railway communications between China and Suiyan and Shansi run through Hopei and Chahar, while Japanese troops are now at the northern borders of the strategically important province of Shantung.

Smugglers

In the summer of 1936, Japan devised another method of increasing their hold on North China. Yin Ju-Keng, in defiance of Nanking, reduced the North Hopei customs duties by 75%. There was an immediate influx of cheap Japanese goods, which eventually spread to the south and west. The brunt fell upon Chinese cotton mills, many of which were forced out of business, to be bought up by Japanese. Equally serious was the effect upon Nanking's customs revenues, which fell by 80%.

The defeat of the Japanese-supported

CHINA'S RESOURCES: Of Japan's major needs, only oil is absent.

Mongolian troops in their November attempt to seize Suiyan has brought a temporary check to Japan's progress in North China and an implied retraction of her demand for a special position in the five provinces.

Japan and China

Japan regards herself as the divinely-appointed guardian of the Orient; to China she will bring law and order, material prosperity, and the elimination of the "squeeze" —a Chinese custom which is blood brother to the American racket. As in the conquest of Manchuria, her path of empire is sanctioned by a benign self-righteousness. It is a matter of domestic politics whether this sought-for "suzerainty" is achieved by forceful or pacific aims; but the difference is only in the means, and the objective remains.

This attitude China has resented with increasing vehemence, to the extent that the Japanese menace has become the predominant issue in domestic politics; the present Government is judged less by its success in ameliorating conditions at home than by its attitude towards an ambitious Tokyo.

Japan had made gestures towards Shan-

tung in the northeast. She wants a better position in Shanghai, where her interests have already increased sufficiently to threaten British and American dominance; her trade along the Yangtze valley—at once the central zone of Chiang Kai-Shek's power and the scene of peaceful Japanese penetration—has grown by leaps and bounds. She has instigated smuggling into Fukien in the southeast, with the objective of splitting Canton from Nanking in the event of a convenient crisis.

On the diplomatic side of the ledger, Japan makes three demands on the Nanking Government. These were framed by Premier Hirota in late 1935 and call for: (a) the cessation of all anti-Japanese activity in China; (b) cooperation between Japan, Manchukuo, and China; and (c) Sino-Japanese cooperation against communism in China. The first was designed as a boon to Japanese trade; the second was calculated to gain official recognition of Manchukuo; and the third was to allow the penetration of Japanese troops into the interior of China, where they would be strategically situated for imperialistic purposes, either against the Chinese Government or against Soviet Russia.

In 1934, Japan felt that she could count upon the cooperation of Chiang Kai-Shek. He represented the rich landlord and big business classes, many of whom were frankly pro-Japanese; furthermore he was diligently—and expensively—engaged in chasing the Communists literally from one end of China to the other.

Chiang Kai-Shek Turns

Since then, the situation has moved into reverse, and Tokyo no longer regards Chiang Kai-Shek as a right-minded and reasonable gentleman, but as the main obstacle in its path. Superlatively endowed with political wiles that would make a Tammany leader look like a Boy Scout, the Generalissimo has become the symbol of national unity. And, hypothetical as that unity may still be, it has gained a greater reality through its common basis of opposition to Japan. During the last year, his suppression of the Kwantung and Kwangsi and Sian revolts has materially strengthened his position; in that these outbreaks were inspired by anti-Japanese sentiment, it has also resulted in an increased obligation to present to Tokyo a firm front. Some observers maintain that Chinese unity is a myth, incapable of realization; Hu-Shih, the Chinese philosopher, asserts that the nation is 90-95% unified. The fact remains that Japanese aggression has proved a powerful welding force. Of this, the Communists provide the best example. They resent the power of the landlord and Nanking's continued neglect of social reform. Yet they have become merely progressive in their domestic policies, and the foremost plank in their platform is forceful opposition to Japan. Allied with the left wing of the Kuomintang, they would like to force Chiang Kai-Shek's hand.

The Nanking Government, however, refuses to commit itself. True, it has constructed three new railway lines, with concrete dugouts for fuel and food supplies, and adjacent airfields, which have strategic significance only for war with Japan. It is also true that Chiang Kai-Shek cannot afford to flout the tide of anti-Japanese feeling in his country. However, he does not fail to realize that war with Japan could only mean defeat at present; he is not in a position to take action until his own fences are mended.

The initiative now lies with Tokyo. Her diplomats may deny her ambitions in China; but then they also denied the famous Twenty-One Demands. The method of achievement, nevertheless, poses a problem. Peaceful commercial and political penetration would involve tremendous expenditures out of a treasury already overburdened by the costs of imperialistic expansion. On the other hand, military conquest would only yield to the conquerors a China of despairing resistance, of eternal resentment, and torn by factions. But the issue will have to be solved. And this again leads to the ultimate problem in Far Eastern politics—which faction will become dominant in Japan?

AREAS OF CONTROL: The struggle for power on the Asiatic continent.

Japan and the West

One hope optimistically held by China has been that the Western powers would rescue her from Japan in the process of pulling their own chestnuts out of the Far Eastern fire. If the League's interest was relatively altruistic, at least Great Britain and the United States had substantial investments to defend; the former's interests amount to approximately $964,000,000, of which nearly three-quarters are concentrated in Shanghai, while the latter have a stake of $150,000,000.

But this is not a matter of concern to China alone; it is a major dilemma for the Western powers themselves. In 1895, Japan was a third-rate power, and the mere threat of intervention was enough to bring her to heel and revise the Treaty of Shimoneseki. Today she is a first-rate power; with her fleet concentrated in the Pacific, the naval ratio of 5:3 granted her equality in that area; now that the treaty limitations are off, any improvement in her ratio will actually make her superior. Furthermore, the American people are intent upon internal reconstruction, while Great Britain has troubles enough of her own in Europe, where she is obliged to concentrate her forces.

Japan has seen her opportunity. And she

intends to use her powerful position in the Far East, not as a diplomatic bargaining point, but as a direct instrument of aggrandizement. Once the Western powers had failed to stop her in Manchuria by diplomatic action, she was in a position to tell them that, if they desired a position in the Far East, they would have to fight for it. The Japanese "Monroe Doctrine" laid down in 1934, was only a polite and belated expression of this fact, and other nations could take to heart the Japanese statement that "the Nine-Power Treaty is dead; the United States and European countries which are ignorant of real conditions in the Far East should hold aloof from affairs in China."

Western Dilemmas

Even after 1931, Great Britain persisted in her efforts to play off Japan against the United States, the Chinese revolutionary movement, and Soviet Russia. But she soon discovered that the cooperation was along a one-way street; for instance, the Federation of British Industries mission to Manchukuo found that all trade was to be Japanese. Some Englishmen have since come to favor cooperation with the United States, and in late 1935 a mission from the British Treasury set about reforming the Chinese currency, as a potential counterweight to Japanese domination. Other Englishmen still believe that Japan in control of China will be the best guarantee of British interests, and would act accordingly. But both are misguided in their hopes.

The United States finds itself in a similar dilemma. The recognition of Soviet Russia was counted on as a counterweight to Japanese expansion; but the non-aggressive policy of the USSR is a permanent rock in the Far East upon which hopes of a third party stopping Japan in her tracks have foundered.

Japan and the Pacific

The Japanese navy supported by a strong body of academic opinion insists that natural Japanese expansion lies to the south among the islands of the Pacific. Commercial penetration has already convinced them that Japanese momentum must engulf the cringing islands in the very near future.

The Netherlands, Great Britain and the United States have impotently watched the Japanese string the island beads of the Micronesia into an unbreakable chain. They have heard the Japanese refer to their own pet colonies as lying within the spheres of influence delimited by the Land of the Rising Sun. In Borneo, New Guinea, the Philippine Islands there are important raw materials and a valuable market for Japanese goods, and in Java there is a precious oil deposit. The intrinsic value of this unexploited island wealth is guarantee enough that one day Japan will have them.

Untenable Positions

Sooner or later the English and the Dutch must make up their minds as to a course of action. The Americans have already chosen; they are retreating leaving the Philippines as a mere hostage. To uncompromisingly oppose Japan will mean war, and neither the Dutch nor the English are sure that a victory will make their untenable positions any more tenable in the face of a defeated but grimly ambitious Japan. The Netherlanders have purchased airplanes for Java in a show of determinism to resist any outright aggression. The English have fortified Singapore, and have drawn up schedules for massed fleet operation against the Mikado's navy. But these are only gestures. Neither party is convinced of its own adequacy.

Fortunately it makes little difference to the natives occupying these islands whether the Dutch, English, or the Japanese rule them. Too long years of servitude have inured them to the niceties of English or Dutch or Japanese rule; in the end, they are convinced it all amounts to the same thing: they work and someone else collects the money. But if such a thing as imperial morality exists Japan might justifiably proclaim her comparative purity as regards the South Sea Islanders. At least, she recognizes them as human equals, and at most,

she encourages promiscuous interbreeding with her own people.

Big Talk

As for America, the navy talks loosely of fortifying Guam, an island more remote from Hawaii than Hawaii is from the Pacific Coast. It is in Japanese waters, in the heart of the mandate assigned to Japan by the League of Nations, and within cannon shot of Japanese islands. To fortify it would be futile, for at any desired moment the Japanese fleet could take it over, and deliver its fortifications as a handsome gift to the Mikado from the American taxpayers. But such a logical victory of strategic force would not end there. American pride would demand reprisal, and a Pacific war. Perhaps the following is an example of militarized diplomacy. When the Secretary of Navy was asked about the proposed fortification of Guam he said: "fortifications must be met with fortifications. One menace must be met with another menace." And this is the policy the navy proposes as a check to Japanese fortifications in the mandated islands. The Japanese are amused. They are quite sure that the American threat to fortify islands within range of their guns will not prevent them from violating the League of Nations pledge not to fortify the mandate. In fact they are also sure that America must get out of that part of the Pacific and retire to the Hawaii, Panama and Unalaska line of defense. Either that, or go to war with Japan. And America does not want war with Japan, least of all a war fought in Japan's backyard.

Giant Killer

JAPAN is girding herself to strike a body blow (by educational *ju-jutsu* if possible rather than physical war) at the giant that has imprisoned her—the giant of Status Quo. That Frankenstein was created and put on guard by the Powers after they had all they needed—all they wanted. He is the jailer of the Japanese. Somehow Japan must break jail. That, she considers, is inevitable, in view of her population density of 2,750 per arable square mile in comparison with 2,170 in the United Kingdom, 1,709 in Belgium, 819 in Italy, 806 in Germany, 467 in France and 229 in the United States.

Although her trouble is lack of territory, she is only secondarily interested in territory. Her people will not emigrate—they love their own country too well. Therefore what Japan wants most is sources of raw materials, a vast industrial system to transform these materials, and access to world markets. Thus she can support her millions. Astounding results have already been the yield of this policy. While the exports of other countries diminished during the depression, those of Japan increased hand over hand. Not only has Japan's industrialization during the last three decades established a world record, but she is still gathering speed. Favorable exchange, low wages, drastic economy, high technical skill, excellent machinery, inventive genius undreamed of by Occidentals who imagine Japan to be still in industrial infancy—these things plus a willingness to work, and a national spirit, *Bushido*, which reaches down into the fingers of the humblest mill-girl, make Japan the world's most swiftly growing factory-nation.

Back of all this success, which is only a foretaste of the success anticipated, is education. Education of the most utilitarian, "how to do" sort. Japan, as yet, has no time for culture. Or, as some of her pragmatist educators say, she already has culture, two thousand years of it—what she needs now is machine-knowledge.

Life and Letters Today, London Literary Quarterly

THE COMING WAR

War is "inevitable" but Mr. Roosevelt might still save the world for peace

BY EMIL LUDWIG

THE coming war is inevitable because its basic causes are of a philosophical nature. Two rival powers may hold each other in check for decades by means of exchanging, as the occasion demands, threats and polite gestures with regard to armament and the semblance of disarmament. But where two spiritual worlds stand opposed only a discharge of the spark can ease the tension.

This time the opposing forces are right and might. Hundreds of realistic causes underlay the great religious wars of the past, but for good reasons the kings, who were actually waging these wars in the interests of their dynasties and to gain provinces, needed spiritual motives. Today, instead of little professional armies, whole peoples including women are being mobilized for war and the leaders require ideas and formulae more urgently than ever. They need them to stir up the fanaticism of the masses and to mask their own ambitions and hide their uncertainty.

Thus catchwords and slogans are being placarded all over the place. Formerly the word Fatherland, for instance, sufficed to carry on operations in Germany; later, nothing less than *Grossmacht* (world-power) would do for bait. While formerly citing the size of a nation sufficed to justify a war, today nothing less than proclaiming the superiority of a whole race will serve the purpose.

To this end, the most modern of technical equipment is being employed. Radio, capable under circumstances of saving thousands of human lives from danger, is being misused as an instrument of murder.

Needing pretexts to launch their wars, the aggressive powers of today have devised three rules of universal application. They claim that they need, first, more raw materials; second, more territory to settle their surplus populations, and third, protection for their minorities abroad.

All the arguments regarding the necessity of expansion as advanced by so-called experts in behalf of those now in power are fallacious. For the most part, they are propounded with a bad conscience.

Exploitation of the natural resources of colonies can never be carried on by any people on earth solely through war. World trade, to which the technical inventions of the last twenty years have lent unprecedented speed and manifold variety, and the desire to exchange goods, have increased in such measure that any country at any time may obtain any raw materials and ship its own finished products to any distance.

The medieval idea of autarchy never seemed quite as stupid as it does today. Electricity and the airplane have so reduced the size of the world that the remotest parts of it can now be reached by words in terms of seconds and by persons in terms of days. Thus one of the gravest causes of war, lack of natural resources, has been eliminated.

Conquest of a nation no longer means that natural resources such as oil or iron which may be found are available solely to the victor. Indeed, conquest hardly cheapens them for the conqueror. Switzerland, for instance, gets quite as much cotton from abroad as England does from its colonies. As long as peace prevails, the world of commerce is in fact a League of Nations; nothing that grows and nothing that is manufactured belongs to any particular nation.

Pix

GERMAN CLASSROOM: "Every German cannon is charged with 10% philosophy, and all poison gas contains a lyric ingredient."

Moreover, no single colony in the world is capable of supplying its owner with more than three raw materials in sufficient quantity to meet his needs. Another element that has destroyed the exclusive ownership idea is that nothing today from patent medicines to mechanical inventions can long be monopolized by any one in particular; secrets are out of the bag in no time and imitators are skillful.

People Against Imperialism

Most colonies cost more to maintain than they produce. Ten years ago a questionnaire was circulated throughout the German republic asking whether citizens considered colonies for Germany desirable. The majority of Germans voted in the negative. An English statesman, speaking to me at the time, said: "We should be delighted to have Germany take one of our colonies off our hands." A Portuguese official recently admitted to me that he thought the sale of his country's colonies would be a boon to Portugal.

And yet not a single country would venture to sell its colonies for fear of losing "prestige"—a word that ought to be burned at the stake because it is wrecking the world. It is only for the sake of prestige that Germany is joining in the clamor for colonies, and this despite the fact that Hitler in his autobiography *Mein Kampf*, continuing the old Bismarckian tradition, is silent on this point. The Italians will get a jolt when they discover how long it will take before Ethiopia stops costing money.

The second pretext advanced by the aggressor nations as a cause for war—overpopulation — is completely discreditable. England and Belgium are much more thickly populated than either Germany or

Italy, and yet colonies have solved the problems of neither of the former.

Assuming that some years hence half a million Italians will be living in Ethiopia—I have visited this country and I have every reason to doubt it—how would this possibly help the remainder of 42,000,000 Italians? While dictators clamor incessantly for more land, they give premiums to women bearing more than four children instead of penalizing them for creating excess population. This mania for more and more citizens is ascribable to the fervent wish for as many future soldiers as possible.

The third pretense of the aggressive nations is just as evil and equally fictitious as the previous two: defense of minority compatriots living abroad. If Germany bordered on the upper Nile and those of its poor, lost countrymen who formerly spoke the mother tongue were obliged to live in papyrus huts like some African natives, it would not be difficult to understand the decision of a nation to take the offensive in a war. However, the fact is that all national minorities in all European countries enjoy the same advantages of safety, hygiene, and education as their so-called hosts. About the only difference nowadays between the twenty-four borders of Europe is food. So far as language is concerned, complaints about minority suppression are unjustifiable. Is it necessarily a misfortune for poor German emigrants, for instance, to have to master two languages instead of one? And, supposing the sons do forget the mother tongue, has the newly-acquired language no literature to offer?

All practical necessities and all economic problems are but vain pretexts for war. It would appear that internal social dissension and pressure would of necessity lead to war, but this is not the case. Although revolutions threaten in several countries, this by no means signifies a European conflagration. The real causes for war root in the realm of the emotions. There is, as a matter of fact, no cause whatsoever for war today except the desire for power, and this is to be understood in the shallow, obsolete sense of the word.

To the Sword Again

Germany is loquacious about its honor, but this belligerent nation lacks even the rudiments of military honor. The Germans say that defeat destroyed their honor. Although they won the plaudits of the world for their four years of resistance, and although between 1919 and 1930 all forms of German intellectual and industrial activity won the admiration of the post-War world, they remained obsessed with the idea that their honor was lost until once again they could "wield the sword." Brought up to revere a military officer as the highest type of mankind, the Germans will be dominated by a feeling of inferiority as long as the stigma of military defeat has not been removed. In this illusion that German honor can be cleansed only through the sword lies the *main cause of the coming war.*

For ten years the great, eternal Germany—that Germany of the Goethes, the Beethovens, the Kants and the Humboldts—tried its best to liberate the people from the mania of militarism. Rathenau and Stresemann were the foremost leaders. The greatest minds did their best to divert German ambition into channels of peaceful pursuit like invention, manufacture, commerce, art, science, with a steady stream of books, speeches, essays, and lectures. It was thought that the terrible lesson of the World War would prove powerful enough to conquer a 300-year-old tradition.

But this was a mistake. The great mass of Germans never wanted peace with France; they never wanted a League of Nations in Europe. They wanted the sword, and the majority of scholars served this Moloch as those of Bismarck's time had, teaching youth to idolize the red stripe of rank on the General's uniform. For ten years a small number of Germans and a large group of foreigners attempted to create a new atmosphere in Central Europe that might have transformed everything for the better. Here, they felt, lay the destiny of Europe—not in Italy, not in Russia, nor in Austria and Hungary, which had also suffered territorial losses as a result of the World War. For ten years the fate of Eu-

rope hung in a balance, depending upon which of the two Germanys—that of Goethe or Bismarck, that of Schiller or Frederick the Great, that of Schopenhauer or Hegel—would grow the stronger.

During this entire decade the Germans were unhappy. After centuries of guardianship they were being taught to think in political terms, they were being urged to feel a sense of personal responsibility, they were being coerced into accepting liberty. In dismay they protested that they wanted none of it. For Heaven's sake, they exhorted, free us from freedom!

Educating the critical Italian people to some degree of discipline was as difficult as the same experiment with the obedient German nation was easy. Mussolini often sighed over the fact that he was not born in Prussia. The path from the Kaiser's Potsdam to the Republic's Weimar first irritated, then infuriated the masses. They mistrusted the leaders of the republic, if for no other reason than that they were supported by France. All the hatred that had been directed towards England during the War fell upon France. An historical scene had poisoned souls. The Hall of Mirrors in Versailles, where 65 years before the German Empire was founded, had witnessed the sight of two poor German citizens signing an over-burdening peace. This picture is before the eyes of every German. But today's youth of Germany have replaced this depressing picture with another of when they shall sit in that same Hall of Mirrors and dictate another peace to a defeated France.

The Germans know very little about the East which they so often discuss. No one is able to visualize it. Few know the names of Russian or Polish cities or rivers. Despite a century of friendship between the Russians and the Prussians, Russia is a land quite unknown. The Germans, however, know their West (they refer to their neighbors by direction, East and West). There, along the Rhine and in Strasbourg, cluster age-old memories and associations. There, for centuries, flourished their legends, their melodies, along with their wines. They loved it with their hearts. When the great Briand dreamed of ending a 300-year-old contest by means of a common-sense solution, and projected the idea of Pan-Europe, he thoroughly deceived himself as to the German character. He could not change their philosophy.

France, Peace and War

In the Frenchman's desire for peace lies the second cause of the coming war, for unfortunately this desire is no secret and its effect is exactly the contrary of the Fascist bluff. The German knows that, loving his peace, the Frenchman will not take the offensive, not even to help his allies. Knowing his constant demand for security, the Germans are therefore inclined to underestimate his great defensive power, just as in 1914, when they also failed to believe that a world alliance for the protection of France would materialize.

"The French are afraid!" This is what every German boy has heard for the thousandth time, and when the French once again looked on while Hitler occupied the Rhineland in March, a contemptuous grin spread over the German countenance. No wonder. For every schoolboy, every official, every soldier, every judge, every teacher in Germany, in short every German, is compelled to read the Fuehrer's book, *Mein Kampf*, in which, up to the latest edition issued in 1936, the French were held up to ridicule and called a "half-Negroidized" people. The French with the complacency of maturity, appear to submit to this kind of thing, and the more they do the higher rise their neighbor's hopes of victory.

The English are responsible for the third cause of the coming war, but not in a derogatory sense. Nowhere in the world has the idea of the League of Nations penetrated the mass of people so deeply as among the English. While efforts to create a new pacific Germany were frustrated in Germany because of the militaristic tradition, paradoxically, efforts towards permanent world peace came to naught in England for exactly the opposite reason. The English believed that they still lived on an

island. In his ardent desire for peace, the average Englishman was totally blind to the fact that London was but an hour away from Hamburg by air. At the same time that France started rearming from the very day peace was declared, England reduced its armaments. This continued for a decade, sustained by a church peace campaign and a women's peace movement. Since England had no money to spend on war materials, it held that none must be spent, this view being in accordance with a national code of mortality that fascists regard as ridiculous.

England Opens Her Eyes

All too late did the English recognize the old familiar German war-spirit. Latent since the election of Hindenburg in 1924, this war-spirit rose up with a vengeance after Hitler's *coup d'état*. All too late England saw her error. To their horror and dismay the English realized that by all means they must delay the coming war until 1938, when they would at least be tolerably prepared. This explains the present simulation of friendship for the Germans, which leads every German to believe with certainty that England will fight on the German side, especially if the war commences tomorrow and not the day after tomorrow. And thus the deficiency of English armaments accounts for Germany's efforts to speed up the war.

The world has three aggressive powers: Germany, Italy and Japan—but Germany will decide the war in Europe. The new German military alliance with Japan will either unleash war at both points at once or supply either one power or the other with an excuse for invasion. If, in the process of war, Japan should pocket a thousand square miles of East-Asiatic Russia, this will be of much less import to civilization than if Germany should pocket one hundred square miles of Russian territory. In temperament and interests, Japan and Germany have much in common. Both surpass their neighbors in efficiency and organization, in belligerence and obedience. The race-conscious German will only wake up to the fact that the Japanese are yellow when yellow impairs his interests.

Satisfied Italy

Italy, the second nation with an aggressive philosophy, is far less bellicose than the speeches and books of its spokesmen would lead one to believe. The easy victory over the Ethiopians left Italy quite content. It has nothing to avenge; no one has designs on Nice, Ragusa, or the Tessin. All the psychological susceptibilities which account for the German's aggressive spirit are lacking in the Italian. Outwardly Italy is saturated with aggression today; inwardly, it never was aggressive. Mussolini knows the limits of the Italian character. His African victory will even give him the chance of remaining neutral, at least when the coming war begins.

Germany, judged at least in the mood of the present day, is the direct opposite. All lines of the national character lead concentrically towards war. The Germans, the most militaristically inclined people of the world, are also the most obedient and best-disciplined; they are the only nation bent on revenge. The world which marched forth in 1914 to break this militaristic spirit is confronted by a more dangerous Germany than at that time, for the present Germany is the Germany of Wilhelm II plus the spirit of revenge. The profoundest wishes of the Germans have been fulfilled by the new Fuehrer. He forbade political thinking, restored all their insignia and stripes, their martial music and flags. The horrible nightmare of 14 years of liberty is gone. No further need for reasoning. Anyone admiring the ideal of the obedient servant cannot be critical of the Germans. For those who do not, let it be said that national character is as difficult to combat as a thunder-storm; as in the case of the latter, all there is to do is put up a lightning rod.

In order to stir to a supreme emotional pitch this nation of belligerents, whose country has been transformed into an armed camp during the past three years, the racial theory that the Germans are the most noble

of all races of the world has been introduced among them. It is an interesting fact that the three pioneers of this theory were each and every one of them foreigners, namely Chamberlain, an Englishman, Gobineau, a Frenchman, and Woltmann, a Jew. The sole German on whom they leaned for support was Nietzsche, and he spoke only of his race in an ironic sense. Incredible as it may seem, they did not comprehend. It was not Nietzsche but Richard Wagner, the composer, who gave the Third Reich its slogans.

The "Fight Against Moscow"

Another method of stimulating the Germans is a "Fight Against Bolshevism" campaign—despite the fact that there never was, least of all in 1933, a communist "menace" in Germany. The spirit of the crusade consecrating every bomb that is being turned out for the "Fight Against Moscow," is being preached in schools and universities since pastors of the gospel refused to do so. The new leaders have taken cognizance of the fact that behind every staccato command from their military officers the Germans think they hear a mystic call descending from the realm of the clouds. Every German cannon is therefore charged with 10% philosophy, and all poison gas contains a lyric ingredient.

If the logical conclusion of the racial theories in Hitler's autobiography is a demand for unification of all German peoples under German leadership, this, under normal circumstances, might be disregarded as theorizing. Mussolini during his youth wrote a cynical novel dealing with the Cardinals of the Church, but this he later repudiated. Hitler's book, however, has been pronounced the political Bible of the German, and thus it instills the racial spirit and its implications into the soul of every German child. The Jews are only the first victims of it. Official ethnographical books teach the youth of the country that the Germans in Holland, Denmark, Czechoslovakia and Switzerland, really belong to Germany.

But despite this, the belief that Memel, the Ukraine, or northern Bohemia is the ultimate goal of German aspiration, is erroneous. These little sallies constitute a mere prelude—just taking back what rightfully belongs to Germany!

The big and ultimate goal is France—nothing else. Even if, preceding this final drive, the Germans should wage three wars in the East, they will, following victory in the fourth, march against the West.

This may transpire very suddenly, much sooner, perhaps, than most Europeans expect. Compartments in a ship can be sealed off to prevent a spread of fire; war on a continent like Africa can be similarly confined. But nowhere else. In Europe there are no iron bulkheads. No matter where the war commences, the strain at any point will be too great for the structure. When social tension comes, the neutrals will soon be torn asunder by dissenting voices among themselves; they will not be able to remain aloof. Only a few hours after the outbreak, the conflagration will sweep Europe.

The Laws of Dictatorship

There are those optimists who believe that Germany can achieve its ends by means of threats because it has thus far been successful. They are mistaken, for Germany has not yet encroached upon foreign territory. Naturally, Hitler himself hopes to get on by means of extortion and without resorting to war, for obviously he wants to avoid the conflict that would destroy him. But a dictatorship has its own laws which even a Napoleon could not dodge. Wilhelm II likewise wanted to avoid war, only to evoke it after some twenty years of firebrand speeches. Living by violence, dictatorships are swept off their feet by violence. Germany, of all nations, cannot escape the irresistible pull of this gravitation. Why? Because this nation really has the Fuehrer it wants and deserves.

The war will come because the Germans have not yet played their world role and because they now feel strong enough to embark on it. The war will come because the Germans will combine their brutal might with the war philosophy of fascism,

because they will give their cold organization a mystical purpose, because they will turn ordinary obedience into sacrificial fervor for the victory of the German race.

"The Germans," wrote Goethe, "are so honorable as individuals and so wretched as a whole, and yet they believe just the opposite to be true."

Mr. Roosevelt's Key to Peace

The German war is as inevitable as the Spartan war against Athens. But how little history tells about victorious Sparta; how much it tells about defeated Athens!

One single man might still prevent the coming war. This man is Franklin D. Roosevelt. He knows this and he has the consciousness of a historical mission. But the forces against him are powerful for Americans erroneously believe that Europe can and should take care of itself. They refuse to recognize the dangerous position they would be forced into if Germany and Japan should win. Possibly President Roosevelt will take a decisive step to preserve world peace. To carry the day he would need the unanimous support of his people. But at present the nation sees only the shadow of Wilson, whose merits they do not comprehend. Unless America intervenes war is inevitable.

German Underground

WHEN you ask a German to-day how things are progressing in his country, you will always hear the same story. No matter whether he be a worker, a farmer, an office employee, a doctor or an official, he will tell you, in essence: "Everything is progressing splendidly. Our leader has performed miracles. Unemployment has almost disappeared. We are a strong, united nation now. We have broken the hold which the despicable Jews had over us, and we have ousted the Communists." This is the standard story.

* * * But if you pursue your inquiries a little further, you will begin to hear another story. You will find that the people are literally afraid to speak the truth in case they are overheard or you are a spy; that the country is run by a system of terror which sounds almost incredible to English ears. * * *

A German showed me recent copies of seven or eight Communist papers and pamphlets which are being distributed among workers, the army, navy, and police, in spite of the fact that possession of these things is punishable by instant death. In one of the papers, which can be obtained by subscription at 15 pfennigs per copy, there was a long article comparing recent speeches by Hitler and Stalin, under the title "Who really means Peace?" Needless to say, the article showed that it was not Hitler. I heard from one source, not of Communist sympathy, that "the German army and navy are seething with Communism." The traditional good relations between the German and Russian armies have not been broken, and much exchange of ideas and visits is reported to be taking place as in pre-war days. I heard many stories of how Communist organisation goes on behind the scenes. Driven underground, it has become increasingly dangerous from the Nazi point of view. Actually it often appears above-ground, cleverly camouflaged, and it seems to be gaining more and more adherents. One worker told me that 58 per cent of the German workers favoured Communism, but he was probably somewhat over-enthusiastic.

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PORTUGAL'S PLIGHT

Lisbon looks at Spain and decides to flirt with Berlin, spurn London

BY FRANK C. HANIGHEN

LAST fall Portugal suddenly emerged from obscurity and captured the spotlight of world attention as a new and dynamic element in international affairs. The Portuguese government held up the formation of the non-intervention committee on Spain for weeks by refusing to join. Diplomats in Paris and London worried lest this little state by its obstinacy would wreck efforts to prevent another World War.

When finally Portugal did join the committee, its delegate proved to be one of the most fractious members of a none too harmonious group. He hampered proceedings at various times by his obstructive attitude. In fact, at some critical points, by threatening to withdraw, he endangered the work of diplomacy so arduously erected by Britain and France. If peace were maintained in the Spanish situation, no thanks were due to Portugal. This nation had joined Germany and Italy as one of the bad boys of Europe.

This was a new and startling role for a state hitherto deemed one of the most peaceful and accommodating in the international arena. Only an event connected so profoundly with the whole European fabric as the Spanish civil war could have shaken Portugal out of a long-standing lethargy and crystallized those of her problems which had remained conveniently dormant. Strong world currents—of empire, power politics, and revolution—had entered this quiet estuary and destroyed its peace.

This peace—almost unbroken in the past ten years—is easily understandable. For reasons of race and geography, the Portuguese are distinctly different from the Spanish. Neither the Romans in the days of the Roman Empire nor the Moors in the Middle Ages penetrated with as much effect in this part of the peninsula as they did in Spain. The energy of the Romans, the cruelty and fanaticism of the Moors, which have left such a mark on Spain, remain absent in the Portuguese makeup. The Portuguese retain the sedentary qualities of the Iberian race. The climate, mild, rainy and relaxing, contrasts with the extremes of heat and cold which have contributed so much to the instability of the Spanish character. The Portuguese have conservative tendencies. Lisbon is old and dreamy, resistant to change; Madrid is modern, bustling, restless. Even in bull-fights, the difference is apparent. Portuguese bull-fighters never kill the bull; they transform the spectacle into a farce. No death in the afternoon in Lisbon.

Economically, Portugal presents a somewhat different picture than Spain. Anticlericalism does not constitute as important a factor as in Spain. Reason: years ago Portugal dispossessed the Church of its lands. The Catholic Church is comparatively poor, depending mainly on contributions from the faithful in Brazil. The Portuguese do not demonstrate discontent by burning churches. Likewise, Portugal does not suffer in the same degree as Spain from the problem of absentee ownership of the land. There are agrarian problems in Portugal, but as land-holdings are comparatively small, they have not reached a critical stage. The country is poor, but the extremes of poverty which have marked the Spanish panorama are absent. The Portuguese is inclined to sell his three great

national products (cork, sardines, and port wine) and leave well enough (or bad enough) alone.

Much of Portugal's stability has rested on a British base. Not unjustly has this country been called a British "economic colony." Portugal's external funded debt of $150,000,000 is quoted in London and was borrowed in London. London has always been the source of Lisbon's financing. Close banking interests connect the two countries. The leading bank, the Banco Nacional Ultramarino of Lisbon, is entirely controlled by the Anglo-Portuguese Colonial and Overseas Bank, a London company which is also agent for and has strong connections with, several other banking houses in Portugal and the Portuguese colonies.

Trade has strengthened this tie. Britain is far and away the best customer of Portugal. In 1935, Britain imported from Portugal twice as much as her next best customer, Germany, and ten times as much as Italy, while Britain sold Portugal nearly twice as much as Germany and eight times as much as Italy. In 1935, Britain's share in Portuguese exports was three-eighths of the total, of imports one-fifth. The English dinner-table supports Portugal's principal article of trade—port wine.

Britain and Portugal have maintained since 1373 one of the world's oldest alliances. The original alliance, a medieval friendship in face of Spain, was renewed at various times during the formation of Britain's great empire, and for good reason. Portuguese navigators and colonists had settled in three places on the coast of India—Goa, Diu, and Daman. Tiny settlements, more picturesque than economically important, yet they became strategically valuable because they rested on this rich portion of the British Empire. Britain, always with an anxious eye on these spots, has taken care that the Portuguese alliance has been kept up.

Once a "Neutral"

With such a line-up, Portugal has almost acted, in international affairs, like one of the British dominions. At least it stood in the rank of Belgium and Holland among the "neutral group" of European states which desired nothing better than to retain the status quo. It played ball with these countries at Geneva. Its every effort seemed designed to promote the dominance of international law and harmony. During the Italo-Abyssinian conflict, the Portuguese delegate in Geneva accepted the important chairmanship of the Committee of Eighteen. There is evidence that Portugal tried to keep the Spanish government in line on the sanctions question. Portugal's leading diplomat, Senhor Vasconcellos, worked consistently with Britain and the anti-Fascist powers in the League.

The first element to disturb this Arcadian calm of a well-behaved little state appeared last year when Hitler demanded colonies in Africa. Ostensibly the Chancellor of the Reich wanted return of the former German colonies which Britain had taken under her wing as part of the spoils of the Versailles treaty. But the Portuguese were alarmed, for they possessed a rich and extensive African empire which might be the real target of Hitler's ambitions. They had some reason to believe this, for once before their empire seemed likely to be sacrificed to the aspirations of the Great Powers.

Before the World War, an almost parallel situation arose. Germany demanded a larger share of Africa and the Kaiser's fulminations concerning Morocco had disturbed Britain and France. Britain, to calm the waters, entered into a private agreement with Germany, over Portugal's head, about a possible future division of the colonial possessions of Portugal, should Portugal one day feel inclined to sell them. The World War intervened before this deal progressed very far. But the Portuguese government was so upset that it took the extreme step of joining the Allies in the World War against Germany—a desperate remedy which possibly saved the Portuguese Empire, for German armed forces in East Africa were actually standing on Portuguese territory at the time of the armistice in 1918. Indeed so touchy had Portugal become on the subject of colonies

that only with the utmost difficulty was the Portuguese government induced to sell a little strip of her territory in Africa to the Belgians, which the latter needed to provide an alignment for a railway they were building. The Portuguese naturally feared that sale of even such a small piece of territory might provide a precedent for forced alienation at some later date.

The Colonies Pay

In the years following the war, Portugal found sound reasons for cherishing these territories in Africa. Formerly these derelict Portuguese settlements sleeping on the edge of the vast African jungle seemed hardly worth fighting for. But, in recent years, the hinterland—Transvaal, the Rhodesias, Nyasaland and the Belgian Congo—had been enormously developed, and the ports of Portuguese Africa — Louenco Marques, Beira and Lobito Bay—have become termini of railroads which tap the wealth of copper, cattle, and crops of the regions in the interior. Naturally, with such rich development, came dangers to its security.

Several matters aroused Portugal to the realization of these dangers. One was the circulation of reports that Portuguese possessions had been so misgoverned and the natives so badly treated that Portugal was unfit to hold an empire. These reports carried the same ominous ring as Italian charges against Abyssinia during the period when Italy was preparing to conquer the badly-managed empire of Haile Selassie. Next, Mr. Oswald Pirow, Minister of Defence in the South African Government, made a disquieting statement. He said that it would be unthinkable that Germany should regain the territories lost during the World War in Africa, but that it was also unthinkable that Germany should remain without territories in Africa. Obviously, Mr. Pirow had the Portuguese colonies in mind. To strengthen this impression came the stiff rejection which the British Government made to German demands for the return of former German colonies. Lisbon, in the early months of 1936, was agog over the prospect of losing a large part of her empire.

To this colonial trouble was soon added the Spanish problem. In February, the Popular Front in Spain unseated the reactionaries and started on a radical program of social and economic reform which to many looked like a prelude to communism. The reactionary government of Portugal naturally took alarm at these experiments across the border and a great deal of wild talk by Spanish radicals about a future "United Iberian Soviet Republics" sent shivers down the spine of the government in Lisbon.

A Fascist Republic

For Portugal, while nominally a republic, is actually governed by a fascistic dictatorship. A scholarly, quiet-mannered professor of economics, Antonio de Oliveira Salazar, holds the reins of power and has erected a sort of totalitarian state. Portugal has a National Assembly elected by "heads of families"; according to Salazar's theory that the family should be the foundation of the state. There is also a Corporative Council composed of representatives elected by districts and corporations. But all this machinery remains subordinate and powerless before the executive council, which Salazar controls. The Corporative Council and the Assembly cannot veto acts of the executive council nor have any part in its makeup. To rivet this rule on the nation, Salazar has built up a large, well-equipped army and a strong police and espionage system. People in Portugal do not dare talk politics or agitate for democratic rights.

Of course, Salazar can claim that he has balanced the budget, built roads, hospitals, schools and kept order. If business were good, the Portuguese probably would remain not discontented. But either as a result of Salazar's deflationary policy or because of bad international trade conditions, Portugal has an unfavorable trade balance. There are many unemployed, the condition of the workers is poor, and there is an absence of social legislation. In the rural districts, wages of agricultural laborers

have dropped to fantastically low levels; some get as low as fifty cents a week.

While there exists no organized opposition, or radical movement, the discontent among the masses of the people as a result of the economic conditions would provide a fertile soil on which democratic ideas from across the Spanish border might fall. Also, there are militant fascist groups opposed to Salazar and some of the army officers are not averse to staging a *pronunciamiento*. Hence the alarm in Portugal when the Spanish republic turned leftwards and hence the sympathy of the Portuguese government for the rebels when the revolt broke out. The Portuguese government foresaw trouble at home, spread of radicalism, and possible downfall if the Spanish Left government continued in power. Likewise, it hoped for the success of the rebel cause to bolster its own power.

This was the motive which impelled Portugal to defy its old ally and protector, the British government. The defiance, as a matter of fact, was not as courageous as it seemed on the surface. For Salazar, with his open pro-rebel sympathy and sabotage of the non-intervention committee's efforts by allowing supplies to go through Portugal to General Franco's forces, had an ally at court: namely the City. The British Foreign Office might want to remain neutral and to keep its ally Portugal neutral. But sympathies of the financial interests in London were on the side of the rebels. The financial editor of the London *Daily Herald* described this situation: "One thing strikes one at once in conversation with people in the City. That is the strengthening of the pro-Spanish rebel feeling. . . . It seems clear that whatever may be the British Government's sincerity in a policy of non-intervention in Spain, many influential supporters of the Government in the City only believe in non-intervention in so far as it is to the advantage of the rebel forces and the disadvantage of the Spanish government." Thus, Portugal felt safe in snubbing Mr. Eden, for it felt that Mr. Montagu Norman and his friends were on their side. Money talks.

The Red Menace

Moreover, the Portuguese government produced a ready argument for sympathizing with the rebels—the danger of communism. In August, Lisbon reported that two vessels of the Portuguese fleet taken over by communist mutineers among the crews had tried to steam out of the Tagus for Spain and had been stopped by land batteries. This was the official story. However, according to the usually reliable *Lumière* of Paris, the whole episode had been a faked mutiny, deliberately staged by the government to draw a "red herring" across the situation. Faked or not, it worked. Financial London grew alarmed and communicated its fears to the rest of the British community and to the British government.

Money, too, had a great deal to do with another shift in Portuguese policy. Lisbon has recently shown a marked friendliness for Berlin. In the past year trade with Germany has risen, while that with Britain has fallen. The Germans have been actively cultivating trade and diplomatic friendship with Portugal. The Nazi organizations have sent thousands of German workmen on vacations to Madeira and Dr. Ley of the German labor organization paid a visit to Lisbon. When the radical régime took power in Spain, Germany sought another place on the Iberian peninsula where its submarines could find friendly anchorage in case of war. According to Paris *Vendredi*, Portugal actually leased one of the islands of the Bisagros archipelago to a German firm. The German firm transformed the place into a naval base, with ammunition, planes and submarines. Bisagros is so located that it controls the route which French troop transports from Senegal must take on their way to French ports. On January 9, the *New York Times* reported a treaty, effective on December 18, by which Portugal foreswore all rights to German property within her home territory and in colonies acquired under the Treaty of Versailles.

All this looks like a Portuguese move away from Britain and into the arms of

Germany. Possibly feeling that British prestige has suffered by the temporizing policy of the British in Abyssinia and the Mediterranean, Portugal seeks a stronger protector in the person of Germany. Germany, in collaboration with Italy, might put a Fascist dictator in power in Spain and thus save the skins of the Portuguese government. The British might well betray Portugal by bartering off her colonies over her head to Germany. Safer then, to deal directly with Germany—Lisbon apparently feels—than with the weak and uncertain British government.

Thus Portugal stands at a critical crossroads. Victory for the Spanish Loyalists will undoubtedly mean revolt in Portugal and downfall of the Salazar Government. But victory for the rebels will not necessarily remove all the Portuguese government's worries. A regime in Madrid backed by Germany, the very power which has cast covetous glances at the Portuguese African territories, may be in a position to put a screw on the government in Lisbon, and threaten to incite strife in Portugal unless the Portuguese government considers changes in the colonies. Has the dictator Salazar ever heard of the fate of the lady from Niger who took a ride on a tiger?

German Influence in Morocco

WHATEVER may be the truth of the reports of the presence of armed Germans in Spanish Morocco, it is a fact that for many years German political agents have been very active in North Africa. As editor of the Madrid newspaper *Ahora,* I have had several opportunities of getting to the truth of the German influence, which is spread by subtle political propaganda.

The natives hope to obtain their independence with the aid of the Germans. It is a somewhat vague idea in their minds, but it is based on reality. When, in 1916, the Atlas tribes revolted under the Blue Sultan, they arrived triumphantly as far as Marraquesh. Those warriors were armed and trained by Germany. Only two years have passed since the time I interviewed the Blue Sultan, who had taken refuge in the Spanish possession of Rio de Oro, after crossing the desert with his children and wives. After long resistance he had been routed by the French and had lost all his influence over the natives. But the Blue Sultan dreamed in exile of the time when his star would shine again. The day would come, he told himself, when the European nationalists, fighting among themselves, would provide an opportunity for the establishing of Mussulman nationalism.

The Blue Sultan had lost confidence in religion as a means of keeping the natives together, and realised that nationalism would be a much stronger force. He was a great admirer of the nationalist leaders, such as Mustapha Kemal, Mussolini and Hitler. Hitler, in fact, seemed a sort of god to him. I was at the time astonished that this uneducated Moor, who spoke little besides Berber, should have so clear an understanding of European affairs. I have since realised that this was because the Germans spread propaganda in the Berber language. *Mein Kampf* has been translated into Arabic and other tongues of Islam.

The New Statesman and Nation

FOREIGN AIMS IN SPAIN

What the Great Powers want in Spain. The why and wherefore of intervention

BY LAWRENCE A. FERNSWORTH

WHEN Mussolini's troops marched into Addis Ababa last spring, Spanish workers who had closely followed the Abyssinian struggle took it very personally. Talking with them I occasionally asked: "Do you not realize that what has happened to Abyssinia could happen to Spain?" Sometimes that brought incredulous protests, and sometimes sober admissions of probability. Now it is happening, and with greater issues at stake.

Both Mussolini and Hitler have set their machinery of intrigue into motion and dispatched munitions, guns, flying squadrons, and men to aid the Spanish Fascists. When Franco's bands of impressed and, in large part, unwilling soldiers, and his hordes of Spanish Fascists, Carlists, Monarchists, and Moors began pounding at the gates of Madrid, splintering and pulverizing its edifices, and doing things that tore its men, women and children to shreds, they were held back by a raw army, composed of untrained Spanish workers, and of other workers of French, German, and Italian nationality, enlisted as volunteers. Men of iron will interposed an iron wall. The rebel victory celebrations, scheduled for November 8 to commemorate Franco's scheduled easy walk through the Government lines into the Spanish capital, did not take place. Franco was not in Madrid to receive the numerous messages of congratulation there addressed to him by his admirers who had been deceived into believing that he was now master in the capital. Even the said followers began to fear that he was just another blustering Spanish saber-rattler, now rendered ridiculous by his boasts.

Franco was beaten, but Italy and Germany were not. While their spokesmen in London were demanding a stricter non-intervention control and denouncing Russia for its aid to the legitimate Government, they themselves were pouring more war machinery and soldiers into Spain. Whole Reichswehr regiments are now on the Madrid and other fronts. And the world has awakened to the fact that an international war is being fought on Spanish soil.

Germany and Italy Jump In

The case of Spain vis-à-vis its international enemies was well summed up in the note published by the Spanish Government at Valencia on November 20, following upon the breaking off of relations by Italy and Germany:

"The known forces of perturbation and of war, by reason of the pusillanimity of the governments of democratic countries, are insolently advancing toward the establishment of the hegemony of fascist states in Western Europe . . . This recognition of a handful of traitors to their own country" is pictured as a sop to Franco in order to compensate him for his "daily fiascos before the iron wall of Madrid . . . Italy has found in Franco the necessary marionette to aid it in the acquisition of the Balearic islands." Its worthy collaborator has been "Germany, master of the art of violating international obligations." Germany and Italy are accused of hoping to find in Spain "an immediate compensation for their failure to obtain a response to their constant demands for colonies."

SOME OF THE SPOILS: Spain's resources, upon which the fascist powers would like to lay their hands. Mercury, copper, and iron are in particular demand.

The evidence of Italian and German participation in Spain since the earliest days of the war is now so abundant that an exposition thereof seems almost unnecessary. Let us consult another Spanish Government document, a statement of the Air Ministry issued on November 22, referring to a submarine attack on two Government cruisers at Cartagena on the same day.

The statement finds that the attacking submarines "of necessity belong to a foreign fleet," for reasons which are amply set forth, including the rebel's proved lack of underwater craft. With respect to the sinking of a number of Spanish ships on the Mediterranean coast, it concludes that "a large number of said aggressions, committed under cover of darkness, must be charged to foreign warships" by reason of the non-existence of insurgent vessels in those places. Also: "The Republican fleet has been constantly spied upon by said foreign ships which, occupying strategic positions, were able perfectly to note its movements which were thereafter immediately known to the rebel ships." Ample details are given. It is stated that on August 4 the battleship *Deutschland* interposed

itself between the port of Ceuta and the Republican fleet which was about to attack the city in order to prevent the embarkment of forces for the mainland. When Alicante was bombed (on November 5), the illuminations of the German warship "perfectly indicated the location of the city" to the rebel airplanes. (Several hours before this bombardment occurred the members of the German embassy went aboard their warship for safety, a fair indication that they knew it was coming.) It is further charged that German and Italian warships constantly passed information to the rebel air squadrons; that a German cruiser on the north coast acted as escort to a German cable ship suspected of laying the mines in the port of Bilbao, inasmuch as the rebels had no mine-layers. At the entrance to Cartagena, a German warship "at times hoisted anchor and described a complete circle around our units in order to inform itself of their situation and condition and, appearing later, to observe whether they remained in the same anchorage." In December this report was amplified by the report of an expert on the submarine attack at Cartagena to the effect that the shell that struck one of the Government submarines was of the type used by Italian divers.

Let us further scan a few highpoints of the Italian-German aid to the rebels. In the last days of November, a *Manchester Guardian* correspondent found the Italians to be complete masters in Mallorca; about the same time, I was able to report that the Spanish steamers *Ciudad de Palma* and *Jaime I* had changed their names, had begun flying the Italian flag, and had left Palma for rebel territory with arms and munitions; on November 18, a Reuters Copenhagen dispatch reported the departure for Spain of the German cruiser *Emden* laden with war materials. On December 1 and 2, the London press reported the arrival at Cadiz of a large contingent of German soldiers which *The Times* placed at 5,000, according to the information of the British Government. *The Times* added: "These volunteers have not been seen wearing uniforms, but they are reported to have come with arms and equipment. . . . It is to be presumed that large volunteer contingents cannot be sent to Spain from any dictator-governed state without the knowledge and consent of high political authorities, and such contingents, it is feared, must be distinguished from groups of men who leave free countries of their own accord to fight for one or the other side." German planes are daily flying across France to Spain in violation of international law and French rights. On December 3, one of these was wrecked in the French Alps and accusatory documents left within by its dead. Further evidence would be cumulative and wearisome.

The intrigues of Italy and Germany in Spanish Morocco have been amply reported in the liberal British newspapers, among them the *News Chronicle* of London. Tracy Philipps, writing in *The Times* on December 4, describes how "an angry rising tide of anti-Judaism" is whipping the Arabic countries into "an almost Pharaonic fear for racial safety and Moslem honor." Franco, Mussolini, and Hitler have been making use of this rising tide to pit the Moor against the people of Spain on the ground that communism and Judaism are the same. What the Moors may expect was pointed out by Señor Largo Caballero in his speech to the Cortes on December 1, when he warned Spain's Moroccan citizens that the rebels, if victorious, "would be the first to subject the Moroccans to the same treatment of extermination and brutality employed against Spaniards and the first to forget international obligations." As a token of the little faith they could place in their newly found saviors, the rebels, he mentioned the bogus German and Austrian notes of inflation-day vintage with which they were being paid. Dr. Kenneth Loutit, of the British Hospital Unit on the Aragon front, had previously given me evidence of the million-mark notes taken from the dead or captured Moors. One poor fellow, when captured, wildly waved one of these notes, stating that he was rich enough to buy the whole town and feeling assured that he could purchase his escape.

Fascists Plot the War

It is becoming more and more evident that Spain's military rising was plotted with the fascist powers long before the popular elections of February 16. The trial at Alicante (on November 16, 17 and 18) of Jose Primo de Rivera, founder and head of the Fascist party and son of the late dictator, revealed the relations he, General Sanjurjo, and others had with Hitler and his lieutenants in Germany, (thus confirming what was suggested in the November issue of *Current History*). President Manuel Azaña, in an interview given me on October 16, said: "It is evident that this is not merely an internal conflict; its scope is international. It is plain that there was an understanding between the proponents of the revolt and certain foreign governments which I prefer not to name." Largo Caballero, in his speech to the Cortes on December 1, said: "From the first days of the rebellion, the fascist powers were the allies of the rebels and, in the last analysis, the real responsibility for the prolongation of the war falls on them. Without them the rebellion would have been suffocated in the first few weeks. All Spanish blood shed beyond that period falls on the heads of those two powers."

German and Italian Objectives

Italy and Germany having offered their aid to the rebels, the question arises: "What was their price?" As to Italy, part of the price was that she gain such further footholds in the Mediterranean as Spain had to offer; naval and air bases and other advantages on the Straits of Gibraltar and in the Balearic Islands; a dominant position in Spanish Morocco, where for some years she has already been pursuing an undercover policy of colonizing the natives; a base in the Canary Islands, commanding sea routes along the African coast and to South America. Italy is also interested in Spain's subsoil and in particular its mercury mines, as well as in the trade advantages it has to offer. A supply of mercury, essential in the manufacture of explosives, is of first importance to Italy. It has been estimated that Italy, which before the war produced 31% of the world's mercury supply as against Spain's 25%, and which has increased its production thanks to the annexation of former Austrian and Hungarian territory, would control 75% of the supply, or a virtual world monopoly, if she could now also control the output of Spain. Her pretensions have an added significance in view of the fact that in North America and Mexico mercury production is sharply decreasing.

Both Italy and German have a point in common, namely their opposition to the spread of popular rule. In Germany's case this opposition is carried out in a policy of everywhere incorporating persons of German blood into the Third Reich and through them promoting German political and commercial interests in their respective countries. Germany had made great progress in this direction in Spain. Her nationals were there in large numbers, promoting German business, and they were kept in line by the typical terrorist methods of Nazi agents. Indeed German inroads in Spain suggested colonial expansion by methods of infiltration.

Fascist Rivalry

But Germany's interests in the Mediterranean and in Spain, apart from the one common point, were not the same as Italy's; indeed, the two could very soon clash. If Italy was the quicker to step into the Balearic islands, into Ceuta, into Morocco, and into Spain itself, it may well be that she had reasons for wanting to be the first on the ground. Her stepping into the Balearics has kept Germany out. In fine, notwithstanding the apparent cooperation between Italy and Germany, it becomes evident that under the surface the harmony is not all that it might be. There were even hints that Italy might cease her intervention by virtue of the agreement concluded with Great Britain on January 2 concerning the Mediterranean. Only an English statesman, of course, could be sufficiently naive to suppose that such an agree-

ment would ever stop Italy from pursuing her quests in such ways as she thought best. "As blind as an English statesman," has become a favorite expression in Spain since the outbreak of hostilities. However that may be, the agreement between Italy and Great Britain has made it none the less necessary for her and England, and one might also say for France, to block Germany's designs by diplomatic means or otherwise.

The Balearics, the Straits, Morocco, the Canaries, all those strategic positions which interest Italy, likewise interest Germany. The Reich wants submarine bases on both the Mediterranean and the Atlantic coasts of Spain, such as served her during the Great War. She wishes to establish a new hostile frontier at the doors of France and so to a large extent neutralize French military potency. Fascism at the three principal French frontiers would be a perpetual menace, well-nigh strangling France. Then again, Germany, like Italy, is covetous of Spain's mercury output, and also of her deposits of manganese, one of the key elements for the manufacture of war materials. But Hitler's ambitions with respect to Spain go even further. He would like to make Spain a great theater of "reconstruction" after the German manner. The Berlin financial centers are reported to consider the Spanish adventure as offering great opportunities for reorganizing Germany's economy in accordance with Germany's new "four-year plan." A systematic exploitation of Spain during two years or more would, it is believed, largely solve Germany's economic difficulties. It has been suggested that Germany, in exchange for its mounting war bill against the Spanish rebels, which, in its present circumstances, it can ill afford to leave unpaid, will demand of the rebels concessions somewhat after the following manner:

Germany is to obtain copper, iron, mercury, manganese, and other mineral concessions, while German industry is to have a large share in the work of "reconstruction"; this will mean the supplying of materials and workmen who will later remain to colonize Spain. Germany is further to establish in Spain a series of airports and fortifications, particularly along the French frontier, in anticipation of the "world war." By thus setting up a super-war establishment, Germany expects to attain military hegemony in both central and western Europe. The Germans now pouring into Spain as soldiers are to be the vanguard of future Nazism in Spain.

What Is Russia's Part?

And what is the position of Russia which likewise has been sending arms and munitions to Spain? In the beginning it abstained from extending such aid, the best evidence whereof being, not its own denials in the face of Italian-German charges that it too had broken the non-intervention agreement, but the bitter charges of the opposition communist party in Spain that for two months the Soviet had failed to lift a finger in Spain's aid. A specimen of this kind of accusation is contained in the resolution adopted on December 16 by the Spanish opposition communists, the P.O.U.M. (Partido Obrero de Unificación Marxista), wherein Moscow is accused of sitting back tranquilly until the inroads of the two fascist governments forced it to a change of tactics. The same resolution also accuses Soviet Russia of attempting "to monopolize the control of the Spanish proletariat." Indeed, such intentions are well indicated by Russian activities in Spain since a Soviet Ambassador was established in Madrid and a Soviet Consul General in Barcelona, about the middle of September. When the latter gentleman informed me that Russia merely desired that Spanish workers have the opportunity of working out their destinies in their own way I am sure he explained Russia's position correctly. Nothing has been more evident both before and since the rebellion than that the official, or Moscow, communists in Spain are so little red that they are merely pale pink. Contrary to a widespread belief, Russian intervention in Spain up to the end of 1936 was almost nil; the Soviet has merely been carrying out a policy adopted

Gendreau

GIBRALTAR GUARDS BRITAIN'S INTERESTS: But Spaniards regard British diplomacy as equally immovable and equally unseeing, and "blind as a British statesman" is a new Spanish proverb.

at the Seventh Congress of the Communist International in Moscow last year of strengthening democratic countries as a bulwark against the spread of fascism. However, there may be truth in the statement that she now attempts to monopolize the control of the Spanish revolution. Why? Well, for one thing it would be just as useful for Russia as for Italy or Germany to have a dominating position in Spain, and for reasons not unsimilar to those cherished by those two countries insofar as they fit Russia's case. But according to the communist opposition, there is an even more important reason. The rise of an independent workers' revolution has possibilities of becoming international in scope and of invading Russia itself, there to wrest power from the control of the Stalin bureaucracy, replacing what is disdainfully called reformism for what the opposition considers a more thoroughgoing communism.

England's Errors

There remain to be considered the positions of England and France. England, to save her Mediterranean interests and to "insure peace" is playing an overly cautious game, which one fears, will merely be counter-productive. Italy and Germany are directly challenging England's interests, and she hopes to placate them with soft words and agreements. The Spaniard, who is shrewder about such things, knows it will never work out. That is one of the reasons why he calls England blind. Further, he feels that he is fighting England's battle (and France's) as much as his own, for two reasons: first, because the battle of democratic Spain is also the battle of democratic England; next, because a democratic or even a revolutionary Spain would never be a menace to England but would, on the contrary, stand ready to become England's firm friend and ally, staunchly defending her interests. On the other hand, he sees Franco openly conspiring with the enemies of Great Britain, and he knows that Franco and his cohorts hate England on their own account, that they are even now plotting to wrest Gibraltar from England and otherwise jeopardize her interests. In the face of all this he beholds the official attitude of England to be one of ill-concealed sympathy for the rebels and of even more illy-con-

cealed hostility for the Government cause. He does not understand it, for to him it is contrary to all reason. And one fears that British action with respect to Spain has sunk into his bones in a way that it will take him a long time to forget. England's greatest error with respect to Spain has been psychological. She knows nothing of the mentality of Spaniards, least of all of the workers, and one fears that those whose duty it is to inform her remain so insulated against contact with the people that they likewise know nothing about them and concentrate in stressing their unfavourable aspects as reported by unsympathetic "upper class" persons. If England had merely shown what the Spaniard considers a "correct" attitude toward Spain, had refrained from administering a rebuff to the legitimate Government by virtually putting what Caballero called "a handful of traitors" on the same plane with it, and had evidenced a little interest for a democratic struggle, the Spanish people, with their impressionability in such matters, would have delivered themselves to England body and soul, just as now they have delivered themselves to Russia for her tardy assistance.

France—Tail to England's Kite

In the matter of Spain, France is the tail to England's kite. France has learned her lesson from the Laval secret intrigues with Italy, which so nearly cost France England's friendship. With war possibilities in the offing, she cannot afford to alienate England, and she is determined to do nothing except in common accord with her. France, however, is not quite so blind as England, and even her reactionary elements and press show signs of realizing that Spain is fighting France's battle too. Perhaps that explains why arms and munitions have in recent months found a way of seeping through to Spain from France in considerable quantities. It remains to be seen whether France, consulting her interests, can induce England to drop its stiff attitude regarding Spain and convince her of the real state of affairs.

Church Losses in the Racket

There is another "power" involved in the Spanish question, the Church. Its position in the midst of fascist intrigues is somewhat pathetic. Perhaps some of her more astute leaders are beginning to see that she is being made a catspaw of those who are as willing to use her as to break her for their own profit. As matters stand, she has alienated herself from the people for long years to come by insisting in making her cause the central and dominating issue when Spain had far more important matters to solve and at the hands of the Church merely asked for decorum. She has alienated herself from the people and is becoming badly bent in the international racket.

Malaga: An Italian Victory

THE first admission that Italians played a considerable rôle in the conquest of Malaga, Spain, was made today by the Rome press, which prints detailed reports from foreign newspapers attributing to Italian troops the chief credit for the unexpectedly rapid advance of General Francisco Franco's Insurgent troops in Southern Spain.

According to these reports, the backbone of Insurgent General Gonzalo Queipo de Llano's army is made up of 16,000 Italian soldiers who landed at Cadiz early in January. Sixty German bombing planes also are reported to be participating in the operations. It is noteworthy that this report is issued by the official Italian news agency, Stefani.

The newspaper Tevere displays it with particular prominence, almost boastfully, on its front page under large headlines, stating that the conquest of Malaga is an Italian victory. Evening newspapers also emphasize the report, hailing it as news of a victory for Italian arms.

When questioned about participation of Italian soldiers in operations in Southern Spain, informed circles answered they could only repeat the official view—namely, that there are no Italian troops taking part in the Spanish revolt. They admitted, however, that it was not impossible, but indeed that it was likely, a considerable number of isolated Italians might have made their way to Spain and enlisted under Franco's banners.

—Arnaldo Cortesi in *New York Times*

WAR DEBTS: A SYMPOSIUM

(1) Background and Review

By John C. Le Clair

THE recent stabilization agreement as well as previous reciprocal tariff compacts would seem to indicate a possibility of solution for many of the barriers which up to now have obstructed world economic readjustment.

The question of the War Debts, however, still remains. For the past several years negotiations for their payment have been at a standstill. The approach of each payment date occasions a momentary stir of interest but with the customary default on the part of the various debtor countries, the matter is forgotten until the next time. Even political opportunists on both sides of the water have ceased to make use of the topic as a medium of appeal to popular prejudice, yet, although the debt question appears to have passed from general discussion, it remains in the public mind as a source of resentment and suspicion, and as such constitutes an obstacle to possible world economic cooperation.

The arguments for payment of the War Debts in general consist of our claim that the sums in question were lent in the expectation, and on the promise, of repayment and that, by reason of the default of the countries concerned, the burden has been shifted to the shoulders of the American taxpayer. The debtors, on the other hand, contend that the loans represented to some extent our contribution towards effecting the defeat of the Central Powers. They claim, furthermore, that the money was never actually paid to them but was kept on deposit in this country for the purchase of war materials so that our people received the benefit of these huge expenditures in the form of high wages and profits. In addition, there is usually the statement that no repudiation is intended, with the implication that payments are merely being held up pending a settlement that will take into consideration, in the form of a downward revision, the points at issue.

Another factor which served to keep the matter of the War Debt payments in dispute was the question of reparations. The Allied Powers from the outset claimed that the payment of their debts was predicated on the receipt of reparations from Germany, a point, incidentally, with which we took issue. Therefore, when the Hoover Moratorium of 1931 passed into the Lausanne Agreement of 1932 under which Germany was to be released from all reparations on the payment of $714,000,000—less than one percent of the amount required of her in 1920—the Powers believed that they in turn were entitled to similar concessions. When none were forthcoming, defaults on their semi-annual payments soon followed.

Unfortunately, as is often the case in matters which affect the interrelations of nations, the War Debt question has become the medium through which political demagogues and certain sections of the press both here and abroad have sought to impress the people with their complete patriotism. As a result, possibilities of repayment have grown less with the passing of the years.

After the war the amounts due the United States from the various Powers were made up as follows:

Advanced under the Liberty Loan Acts..	$ 9,610,403,575.45
From sale of surplus war materials on credit. (Act of July 9, 1918)	599,122,733.21
Obligations received from American Relief Administration on credit. (Act of February 25, 1919)...	84,093,903.55
Obligations held by United States Grain Corporation. (Act of March 30, 1920)..	56,858,802.49
	$10,350,479,074.70

Between May 1, 1923 and May 3, 1926 debt funding agreements were signed with

TABLE 1

	Debt Prior to Funding Agreement, Including Interest at Original Rate	Debt as Funded	Total to be Received over Funding Period. Principal and Interest
Belgium	$ 483,426,000	$ 417,780,000	$ 727,830,500
Czechoslovakia	123,854,000	115,000,000	312,811,433
Esthonia	14,143,000	13,830,000	37,707,645
Finland	9,190,000	9,000,000	21,695,055
France	4,230,777,000	4,025,000,000	6,847,674,104
Great Britain	4,715,310,000	4,600,000,000	11,105,965,000
Hungary	1,984,000	1,939,000	4,754,431
Italy	2,150,150,000	2,042,000,000	2,407,677,500
Latvia	5,893,000	5,775,000	15,790,523
Lithuania	6,216,000	6,030,000	15,069,541
Poland	182,324,000	178,560,000	481,674,781
Rumania	46,945,000	44,590,000	122,506,260
Yugoslavia	66,164,000	62,850,000	95,177,635
	$12,036,376,000	$11,522,354,000	$22,196,334,408

the various debtor nations for the amounts listed on Table 1. Interest rates were based on what was termed the "capacity to pay." These funding operations extended the time in which loans were to be paid to sixty-two years. Although in general the interest rates were low, averaging 2.14%, yet, under the agreements, the original debt total over the period of repayment would amount to approximately twenty-two billion, as the chart will indicate.

Why Exact Interest?

It was expected that these amounts would be remitted in gold or exchange. For obvious reasons the possibility of repayment in goods or services was not given consideration. However, apparently little attention was paid to the question of whether a nation could undertake payments of this magnitude apart from the usual returns required in the normal course of international transactions. This shows the futility of the entire procedure. As a matter of fact, unless we were to agree to accept payment in goods and services for a good portion of the amounts involved, possibilities of repayment—in accordance with the yearly sums stipulated in the agreements—were remote. To demand, however, in addition to the huge sum due, interest over the payment period, was a species of folly quite in keeping with the other plans which sought to collect reparations from Germany amounting to sixty-three billion dollars. While this conclusion involves comparatively little prescience at this time, it is remarkable that so little practical statesmanship was evidenced in the handling of problems so vital to world economic recovery as reparations and War Debts.

A brief analysis of the figures in Table 1 indicates that the total sum expected over the period of repayment was, in the case of several of the Powers, several times the original amount. The impossibility of repayment, in terms of what has actually transpired, can be observed from the figures in Table 2 where, for purposes of comparison, the total amount to be paid over the sixty-two year period is again set up. However, in adjacent columns are listed the actual amounts received by this government since the beginning of payments along with the total sums unpaid to date.

We see from the charts that less than three billion has been paid against the twenty-two billion eventually to be collected according to expectations. The default this last year has been more than a billion. Sincere, although ill-advised, statements have frequently been made on the apparent unwillingness of the Powers to pay up, with the suggestion that a sincere determination towards that end could be achieved by a reduction in the cost of their respective armaments. Others have concerned themselves with plans for repayment based on the renunciation in our favor of the various

TABLE 2

	Total to be Received over Funding Period Principal and Interest	Total Payments Received as of Dec. 1, 1936	Total Due and Unpaid as of Dec. 1, 1936
Belgium	$ 727,830,500	$ 52,191,273	$ 42,772,722
Czechoslovakia	312,811,433	20,134,092	11,266,961
Esthonia	37,707,645	1,248,432	2,934,736
Finland	21,695,055	4,310,117	....
France	6,847,674.104	486,075,891	325,080,017
Great Britain	11,105,965,000	2,024,848,817	668,674,071
Hungary	4,754,431	468,466	327,791
Italy	2,407,677,500	100,829,880	63,494,976
Latvia	15,790,523	761,549	1,096,878
Lithuania	15,069,541	1,237,956	942,760
Poland	481,674,781	22,646,297	36,575,027
Rumania	122,506,260	4,791,007	5,492,500
Yugoslavia	95,177,635	2,588,771	1,500,000
	$22,196,334,408	$2,722,132,548	$1,160,158,439

colonial possessions of the debtor countries. However, the fact of the matter is that in dealing with nations where there are no instruments for forcible collection, repayment is to be obtained only on conditions which involve the minimum of sacrifice to them. Any plan, entailing loss of prestige, by the surrender of colonies or a possible weakening of defenses, for the purpose of meeting obligations of this type, has little possibility of receiving consideration.

It would appear, therefore, that there is little prospect of repayment if we continue to insist that it be made under the original conditions. In this respect, it might be pointed out that there is little consolation in the oft-expressed statement that the failure of the debtor nations to satisfy these obligations places upon them the stigma of default. The position of the debtors has been that there has been no actual default but that they are merely awaiting our proposal of conditions of repayment which will meet their particular claims and needs. Consequently, despite our feelings with regard to the moral obligations involved, we must devise a plan which will enable us to begin to receive payments, under terms acceptable to the debtor countries.

The plan proposed here is that all interest on the amounts due be waived. This would leave the indebtedness of the various countries as originally funded. From these amounts would be deducted all monies heretofore paid whether applying on interest or principal. In this way the total due would be brought down to approximately $8,800,000,000, reducing it to a figure

TABLE 3

	Debt as Funded	Total Payments Received	Net to be Paid
Belgium	$ 417,780,000	$ 52,191,273	$ 365,588,727
Czechoslovakia	115,000,000	20,134,092	94,865,908
Esthonia	13,830,000	1,248,432	12,581,568
Finland	9,000,000	4,310,117	4,689,883
France	4,025,000,000	486,675,891	3,538,324,109
Great Britain	4,600,000,000	2,024,848,817	2,575,151,183
Hungary	1,939,000	468,466	1,470,534
Italy	2,042,000,000	100,82 ,888	1,941,170,112
Latvia	5,775,000	761,549	5,013,451
Lithuania	6,030,000	1,237,956	4,792,044
Poland	178,560,000	22,646,297	155,913,703
Rumania	44,590,000	4,791,007	39,798,993
Yugoslavia	62,850,000	2,588,771	60,261,229
	$11,522,354,000	$2,722,732,556	$8,799,621,444

reasonable enough to merit the consideration of the Powers and within their capacity to pay. (Table 3)

The question of the manner of payment must next be considered. Payments by debtor countries should consist of credits on the basis of their exports to us for which they would not be paid. As indicated in the accompanying chart drawing, an American importer of merchandise from one of the debtor nations, instead of buying exchange to send abroad, would purchase, from a central government agency set up for the purpose or from an office of the Federal Reserve System, a draft for the amount of the purchase. This would be sent by him to the seller of the merchandise, who, on its presentation to an agency of his own government, would receive the amount of the transaction. The sums necessary to meet these payments would be raised by the sale of bonds to the nationals of the debtor countries, the acceptance of which could be encouraged by their being redeemable at a premium for the payment of taxes and excise duties.

As a further inducement towards repayment on this basis, those countries which had entered into agreements with us along the lines indicated would be credited against the amount of their indebtedness with a further credit of twenty percent on the basis of their importations of American merchandise. It would seem logical that this would bring about an increase in the purchase of American products by the countries concerned. In Table 4 are listed the 1935 import and export figures for the various debtor nations to this country as

TABLE 4

	Exports to U. S. 1935 to be Credited in Full	Imports from U. S. 1935 20% to be Credited	20% as Indicated	Total to be Credited	Time Years
Belgium	$ 39,759,908	$ 58,207,891	$ 11,641,578	$ 51,401,486	7
Czechoslovakia	21,365,760	3,244,457	648,891	22,014,651	4
Esthonia	681,967	1,436,782	287,356	969,323	12
Finland	12,157,788	6,107,794	1,221,559	13,379,347	..*
France	58,332,861	116,920,014	23,384,003	81,716,864	40
Great Britain	155,322,776	433,384,884	86,676,977	241,999,753	11
Hungary	3,164,081	350,675	70,135	3,234,216	..*
Italy	38,671,829	72,450,043	14,490,009	53,161,838	40
Latvia	1,361,491	649,156	129,831	1,491,322	3½
Lithuania	372,496	350,013	70,003	442,499	10
Poland	9,811,312	24,485,703	4,897,141	14,708,453	11
Rumania	1,097,992	2,985,423	597,085	1,695,077	19
Yugoslavia	3,971,233	801,997	160,399	4,131,632	15
	$346,371,494	$721,374,832	$144,271,967	$490,646,461	

*In the case of Finland and Hungary the figures used in the last column are more than enough to pay the total indebtedness of these countries within a single year.

well as the amount of their credits towards payment of their indebtedness if such a plan were followed. The figures on the side indicate the approximate time of payment.

It might be argued that the amount of the exports to this country for which no money would be forthcoming under this plan might tend to disrupt the budgets of the various debtor nations. However, an analysis of their total exports for 1935 as well as their revenue from all sources indicates that their exports to us represent on an average about three percent of their general exports and two percent of their revenue. It would appear therefore, that adherence to this plan would not affect their budgets to any appreciable extent.

Maintain Good Will

Naturally this or any plan by which payment of the War Debts is to be obtained must be predicated on the good will of the debtor countries and their willingness to meet their obligations. They have previously attempted to explain their successive defaults as being due to their belief that the amounts were too great from the point of view of their sacrifices in the winning of the war as well as the fact that the huge sums demanded were impossible of payment under the conditions laid down without materially crippling their economic resources. This, they contended, would have served merely to prolong and intensify the conditions of world-wide economic stress that, because of mutual interdependence, have affected both debtor and creditor.

Today, the apparent realization of the Powers of the need for economic cooperation would appear to indicate that we have arrived at that moment when the question of the War Debts can be brought forward with some prospect of their receiving consideration. In this respect one thing must be kept in mind. Our claims as to the moral issues involved mean little. If we expect

Il 420, Florence

END OF PROHIBITION
"Why are you drinking so much?"
"To forget."
"Forget what?"
"My war credits."

to get paid we must make our terms so advantageous to the debtors that they will be attracted to pay. If agreements along the lines indicated can be arrived at with the various debtor nations we will have a medium, which, coupled with stabilization and reciprocal tariff agreements, will go far towards accomplishing a return to the normal in international trade.

For our part, the prospect of receiving some nine billion dollars on account of debts, which to all practical purposes have become a total loss, should prove welcome. If we bear in mind also that this sum plus the two billion, seven hundred million already received will approximate the original amounts advanced, we cannot but be convinced that we have much to gain by obtaining the adoption of a debt payment plan at this time.

(2) Business and the War Debts

By Harry Tipper

BUSINESS men have not been very articulate for quite some time about the war debts. This is not because of any indifference to the necessity of a settlement but arises rather out of the feeling that this subject has become entirely separated from the practical requirements, and that as long as it is considered entirely from the political standpoint no useful purpose can be served by agitating it. In fact, a number of authorities have pointed out that the settlement of the debts as originally arranged was impractical and could not be expected to last.

The war debts should be settled. Otherwise, they are threats to the stability of international relations, the final and effective stability of currency, and the free use of gold for the settlement of current international balances. In short, the war debt situation, as constituted at present, is a constant and convenient weapon with which to keep alive international suspicion and discord.

The terms of the settlement are not so important, except that they should be capable of fulfillment in practice. All the evidence suggests the probability that the attempt to collect these debts and the attendant difficulties played an equal part with the German reparations in their influence upon international trade and it is quite likely that we would have been much better off to have accepted whatever cash we could get after the close of the War and considered the account closed.

The impracticality of the original agreement for the repayment of the debts was the result of a number of factors. A well known international financial authority, long since retired, who was at an earlier period advisor to several governments, told me two or three years ago that he suggested to Sir Arthur Balfour, who headed the commission to the United States to settle the war debts, that Great Britain could not undertake to carry out such an arrangement and that it would be wise to admit it at the start. But, as he remarked, British pride prevented the commission and the government back of it from suing for relief from the face value of the debt. Rather than face the loss of prestige involved in a public admission of this kind, they carried through the arrangement. The long previous period of discharge of their obligations and the tradition that had grown up about it would not permit them to face the reality. Neither were we any better prepared.

The question is still as far removed from practical consideration as it was at that time and the business men interested in international trade do not see how it is to be brought into the practical area so that it could be disposed of intelligently. Nothing would seem to be better calculated to prevent a successful conclusion on the matter than the long drawn out public discussion and action and reaction in legislative bodies that would be necessary under present conditions for the ratification of a final agreement. If this discussion followed the pattern that it has taken whenever the subject has been brought up, it would disregard all practical necessities and all the indirect effects and use it strictly for political and partisan propaganda.

It is obvious that we are not concerned with the question of moral obligations. In the first place, nations usually are motivated by self-interest, or what they conceive to be their interests. The fundamental practical elements to be considered in laying out a program for the settlement are the political and social difficulties involved in both the age of the debt and the general default in respect to its amortization. It will be only a short time until the leaders who will be obliged to justify such an arrangement to their respective populations will have only

a historical acquaintance with the War and a very vague comprehension of the circumstances concerning the accumulation of the debt and the difficulties of settlement. In private business we are thoroughly well acquainted with this danger and as soon as a debt appears to be stagnate we take prompt action for its composition or rearrangement, knowing very well that the longer it stays on the books, the less value it will have and before long it would have to be written off regardless of the merit there may be in its record. Business is able to do this effectively because in addition to the voluntary agreements that it can arrive at, the time factor has been recognized in the judicial procedure and the law can be evoked to demand and provide a settlement.

Where, however, the debtors are sovereign powers and the only basis of agreement is a voluntary arrangement, subject to the vote of the people's representative in the democratic form of government and to the whim of dictators in the autocratic form, the delay is doubly dangerous because the seeds of suspicion sown by the difficulty remain to grow, while the prospect of settling it amicably diminishes.

Prompt settlement, therefore, on some practical basis of compromise, by negotiation with the debtors, is the most important element in the consideration. In the second place, these debts are direct governmental debts and, therefore, must be paid by taxation upon the people in one form or another. Consequently, the financial position and outlook, the burden of taxation already upon the people, and the possibilities of providing for current service out of the taxable portion of the national income are extremely pertinent to a sound solution.

The matter is further complicated because the debt must be paid in a foreign currency and cannot, therefore, be disposed of by the simple process of segregating a portion of the national income. It must be consummated by accumulating for governmental use a sufficient amount of exchange from the normal flow of trade without exerting a deflationary influence upon the trade.

The system of German reparations had not been in effect very long before it was apparent that it could not be continued on the basis agreed upon. Even the payments in kind (goods and materials) proved to be disturbing in the quantity and value that was included in the agreement. Consequently, even though we were prepared to receive the payment of the debts principally in goods and services with such quantities of gold as might be necessary for occasional balancing of the accounts, we expected that the quantities as well as the values would be in such proportion to the total trade that they could be readily absorbed without disturbance to the economic structure. To attempt to carry out the program as it stands by the transfer of gold would only accentuate the existing unbalance in the gold position and increase the difficulties to be faced by those countries with an excessive gold reserve as well as those nations which are barely maintaining the proper proportion.

These factors suggest that the best disposition of the debt would be an agreement upon a certain amount to be paid over a short period of time and in due proportion between goods, services, and gold. This should be done in such a way that the unknown factors that might interfere with the continuance of the operation until final disposition would not involve a speculation so large that the agreement would again face modification in the presence of an acute emergency.

I do not believe that there is among experienced business men any considerable opinion in favor of cancellation of these debts although undoubtedly a number of them would prefer such action to the continuance of impractical political discussions which do not aid the settlement and tend only to increase the ill will and the difficulties. What the business man would like to see is an earnest effort to arrive at a practical settlement conducted by quiet negotiation of experienced authorities who can be counted upon to face fully and frankly the practical necessities and to arrive at the most effective compromise that will bring the matter to a conclusion, obtaining

for the agreement such ratification as may be necessary by the different governments in order to formalize and finalize the proposition. Such negotiations should disregard altogether the question of what we think the various nations ought to do, recognizing that the only basis on which sovereign powers can conclude a matter is the provision of a voluntary agreement. It is to be expected that the immediate interests of the debtors, the protection of their own populations, their own internal economic structures, and their own positions will be more important than any general moral obligations.

Such commission would have to recognize that no matter what was understood when these debts were accumulated, the time that has elapsed has served to change the entire opinion of practically all the nations involved regarding the circumstances which occasioned the debt.

It must be considered that the money for the debts can be provided only by taxing the citizens of the debtor nations and that its transfer can be maintained only as a taxation upon the foreign trade, providing the segregation of the requisite exchange, or operating as a drain upon the gold reserves.

It should be further recognized that payments can be assured only if the portion required for current service is such that it will not exercise any deflationary effect upon the current trade, and that it can be carried out through comparatively wide fluctuations in the conditions of trade relative to the length of time through which the operation is expected to continue. In private business composition with creditors is usually so arranged that it will enable the business to continue its operation and make headway in its development, private creditors knowing that the prime assurance of the repayment of debts comes from the encouragement of continuity and development in the trade.

A great deal has been said from time to time as to the disposition of the debtors to pay. It is quite obvious that so long as the arrangement is impractical and cannot be carried out without disturbing effects there will be no disposition to pay. It is also quite obvious that in some cases there may be a disposition to elude payment in any event. The best way to determine the importance of that point is to provide a program for settlement, the practicality of which can be demonstrated. Under those circumstances it seems probable that the importance of the matter to other countries in their trade relations with the United States and the fear of further political complications, such as the Johnson Act, will suggest the wisdom of carrying out an agreement that offers a practical disposition of the matter.

From the standpoint of the business man, all solutions that depend upon the definite percentage relation to the flow of trade are of doubtful value because they must be based upon average conditions. The fluidity of trade, particularly in the development from a major and disastrous depression, makes it impractical to foresee the changes that will come about in the actual trade relations. Consequently, the settlement that is based upon the general trade of the individual country with the world and its governmental power of taxation is more likely to be feasible over a period of time.

The debt is a disturbing element which should be removed by its settlement. The settlement must recognize the practical requirements. There is the necessity for raising the money by taxation within the various countries; in addition, there is the requirement that a portion of the available exchange must be segregated for the transfer, and that the use of gold be confined to the amounts required for small differences in the current account, the major portion being settled by exchange of goods and services. The period of settlement should be short so that the possibility of interference by acute disturbances or violent changes is reduced. Finally, the flow of goods and services and the transfer of gold must be such in quantity and value that it does not represent an undue departure from the normal operation and, consequently, exert a deflationary effect upon the general operation of trade.

(3) Settling the Debts

By H. Parker Willis

THERE is apparently some reason for thinking that another period in the discussion of the international debts due the United States is approaching. Both Paris and London have intimated that the respective governments desire further conferences. Two British financial statesmen have just visited the United States, and while they categorically state that their purpose has nothing to do with war debt settlement, the financial community continues to believe that the subject is seriously under advisement at Washington, and that our financial leaders are in communication with those of England and France.

The average American citizen thus far has had little opportunity for making his opinion felt, and has been inclined to shirk the whole matter. Among those groups in which a tentative point of view has been reached by Americans, the conclusions have been so hasty, and so little inclined to take account of the real factors in the case, that they have been without general influence. Some publicists and other observers have, from time to time, been inclined to express the opinion that this inability on the part of American public opinion to express itself on the question has been because we were still "so near" to the War period that we could not view issues growing out of it with calmness or detachment. Certainly, enough time must now have elapsed to permit the rendering of a calm and considered verdict. True, the American public is forgetful of the issues involved in large public questions. It was at first so engaged with "depression problems" and is now occupied so much in the effort to "restore prosperity," that it may find the difficulty in reaching a satisfactory conclusion as great as ever; but, at least, the time has come to make a strenuous effort to arrive at fixed conclusions on main issues of principle.

Let us glance for a moment at the basic facts in the situation. Mr. LeClair's tabul tions indicate the total of the debt as funde by the European nations as being $11,52 354,000. A review of the history of o international debt agreements shows that cardinal mistake was made in the first pla when the subject was under adviseme before the War Debt Funding Commissio This mistake was embodied then in the a sertion that the war debts must be collect in full, and that by spreading them o over a sufficient period, it would be entire practicable to collect from each of the n tions the amount apparently due to t United States.

Prior to the existence of the World W Debt Funding Commission, a prelimina error had undoubtedly been made by Pre dent Woodrow Wilson in his early refus to discuss the war debts with the Europe debtors as a body, either at or just aft the Treaty of Versailles. Hind-sight is ways safer than foresight, and with t experience of later years most persons a now disposed to feel that the meth adopted after the Revolutionary War in s tling the debts of the American Stat should have been followed in our relatio with Europe after the World War. W should have reached a general agreeme as to the amounts due, and, if possible, a rived at a common acceptance of its term In addition, we should have written off "cleared" offsetting debts—both among t European countries and between ourselv and them. Finally, we should have obtain from them a joint underwriting of the n amount due us.

Instead of this, we have proceeded in t opinion that it would be easier for us adjust and collect the obligations from i dividual countries. We have allowed, the our own citizens to lend extravagantly these countries and to their citizens, an we have interposed no objection to the

borrowing here, so that in numerous instances the war debts, added to the subsequent indebtedness of various kinds, have speedily totalled an amount obviously beyond the capacity of these countries, upon any tolerable basis of adjustment, to settle.

It is unnecessary here to recount the sad story of the bankruptcy into which various countries have been forced as a result of their erroneous financing, in which the debt funding policy of the United States formed an important part. The moratorium of Germany and the similar measures in other countries, the devaluation policies adopted by several nations, and the wide spread of "exchange control" with its disturbance to all organized trade and industry, have been among the factors resulting, in part at least, from the arrangements we finally made, coupled with the faulty international financing which followed.

Americans Advanced the Cash

It would be of very little use now to discuss the question, whether the international debts which we have funded were, as so often stated, "honestly due" us, or not. Certainly they were nominally due us and were so admitted. We manufactured and sold at tremendously high prices the goods which these debts represented. We did not ask the British, French, or other foreign citizens to purchase the goods, but, on the contrary, we were constantly importuned by them to produce and furnish to them even larger amounts of commodities, the price charged to be a secondary consideration. We advanced the money for making the purchases, and we obtained it from American citizens, who now carry it as a part of the indebtedness formerly represented by "Liberty Bonds," now by general Treasury obligations.

It is true that at the time we entered the war we informed our own citizens that this was a "war to end war," and asked them to "give until it hurts." There is some warrant for the conclusion that a part of the responsibility for the debt might be regarded as resting upon ourselves, because of our free and frank acceptance of the view that the World War was a righteous cause in which there could be really but one legitimate side. Nevertheless, when the time came for settling, the several European countries recognized the technical completeness of our case, admitted the validity of their war promises to fund the war obligations into regularly issued bonds, and carried through the transaction without further ado under the auspices of the War Debt Funding Commission.

Numbers of our statesmen have hastily asserted that, if our debtors would give up their war-like preparations, the sums so saved would enable them to settle their obligations in full to the United States. Abstractly, they may be right; but it is certainly not necessary to argue the contention that however right they may be in the abstract, no such discontinuance of war-like preparation and substitution of effort for debt-payment as the sole motive of a group of nations, can reasonably be expected.

Even if it were reasonable to expect that foreign nations would follow out the counsels of Senator Borah, the question would remain: In what form should the foreign nations pay? The United States is now the holder of about eleven billion dollars of gold. We certainly could not ask for payment in gold unless we were willing practically to exhaust the monetary gold of the world. Moreover, what advantage would be gained were we to exact such a form of payment? We already find difficulty in adjusting our banking and credit system to the present gold supply, and this difficulty would inevitably be greatly enhanced by a further large acquisition of the metal. The suggestion that we might allow ourselves to be paid by admitting foreign goods freely to the United States is equally far from practicality. The dumping of foreign goods to the amount of eleven billion dollars, or of any considerable fraction of it, in the United States, even if such shipments were to be extended over a period of years, would disrupt the present scale of prices and present organization for production and consumption to an intolerable degree.

Shortly after the World War, when a first tentative suggestion was being made by some British representatives in this country that the United States and Great Britain come to a debt understanding which would probably involve some cancellation of the indebtedness, members of President Wilson's administration countered with a suggestion that the "clearing" of indebtedness between Great Britain and the United States might well be based upon the offsetting of all forms of ownership, including land, mines, and securities—it presumably being possible for each nation to expropriate its citizens by paying back to them domestic funds as had upon occasion been done during war. It was intimated that in such circumstances Great Britain would find it entirely feasible to clear her debt to the United States. Nothing more was ever heard from the British about any such project, and the idea has never since been renewed, either in negotiations with her or other countries. By some such heroic mode of adjustment it might be possible today to settle the debt at its nominal outstanding amount, or a large fraction thereof, but the probability of any such method is about as remote as that of other proposals of settlement which have just been briefly reviewed. To those who agree with what has just been said, the argument really sums itself up in the statement that there is no feasible or practicable means of obtaining payment of any very large fraction of these debts.

As to whether there is a possibility of devising some plan of adjustment or cancellation that would be satisfactory to the American people and sufficiently satisfactory to the debtor nations to make the scheme acceptable, any opinion would be founded only upon conjecture, and as such, of little value. As Mr. LeClair expresses it, "Any plan by which payment of the war debts is to be obtained must be predicated on the good will of the debtor countries and their willingness to meet their obligations."

This is, undoubtedly, the truth of the matter. But, just here, another outstanding factor of contemporary history and politics must be considered. The foreign populations, such as those of France and England, are unquestionably opposed to any settlement that would involve them in additional sacrifice. The only reasons they now suggest a renewal of the discussion are because they want to begin borrowing again, or because they foresee that the outbreak of renewed war will make it essential that they should make preliminary arrangements for such borrowing.

Now, we should be merely laying the foundation for future trouble were we to achieve a nominal "funding" or putting of the debt into a more feasible form, thus enabling our foreign debtors, like Colonel Sellers, to say to themselves: "Well, that's disposed of," when they have given new notes covering their indebtedness.

Merely to salve our own pride by getting a new set of bonds or distributing them to a new set of owners would be of no service, and would advance our interests not one whit. We shall do wisely if we content ourselves with a merely nominal adjustment, representing amounts that can, in the present economic status of affairs, reasonably be expected to be paid, and asking for some convincing evidence of an intention and definite arrangement permitting these remittances. It will be well not to hamper our own financial and economic relations with foreign countries any further by the establishment of new and ingenious exchange controls, or contrivances for collecting debt instalments, but to leave trade as unhampered and as free to move as may be possible.

In this connection, we should bear in mind one important step that we can and should take to better our position as affected by these war debts. Three years ago we adopted one of the most unwise enactments of which Congress has ever been guilty—the so-called Johnson Act. In this, we practically excluded from our markets all foreign borrowers representing nations which had not arranged for the settlement of their war debts. The prohibition, as enforced, left but one or two minor nations in a position to enter our markets as bor-

rowers, and they have immediately availed themselves of the permission to float bonds here by placing new loans. Every officer of the United States who has dared to express himself on the subject has stigmatized the Johnson Act as one of the most serious obstacles to the re-establishment of good will and sound economic relationships between the United States and other countries. As long as the Johnson Act remains on the statute books, the whole course of trade and finance is handicapped and the legitimate expansion of trade is prevented.

We can repeal the Johnson Act without entering into "negotiation" or asking the opinion of any foreign country; we ought to do it at once. When doing this, if Congress could get its own consent to establish satisfactory supervision of the placement of foreign securities in American markets, thus safeguarding the investor from the future purchase of undesirable bonds, it would be following the course of action that has been marked out by other countries.

It may be complained that the "method of settling the war debts" which is thus suggested is largely an admission of our own blunders and a repeal of the erroneous policy concerning the Johnson Act, and that such a conclusion is a pitiful admission of error. The choice before us is that of making such admission, or of permanently crippling our trade and commerce in the effort to demonstrate that we were right in our first impulse.

We must take our choice between these two alternatives. The amount of money that our debtors can and will pay and that we shall be able to collect, is likely to be almost negligible; and almost any mode of settlement that calls for more than such a negligible sum is likely to be injurious. Our important duty is to get rid of the incubus of faulty debt settlement notions of the past and to "start fresh."

The Daily Express, London

GOT A MATCH?

BOTH TOGETHER: "We've been acting like a couple of silly kids—why not burn these war debt guys once and for all?"

THE FASCISTS LOSE FINLAND

Finnish Democracy leads the way to a Baltic Barricade of Peace

BY W. WALTER CROTCH

AN AMERICAN newspaperman some years ago visited Ludendorf in his quiet Munich villa and found the old soldier studying intently a large map of Finland.

"Why Finland?" asked the newspaperman.

"Because Finland is the lock to Russia," the general replied. "Give me the key to Finland and I will open the door to Russia."

That, of course, may be a slight exaggeration. German Freecorps and White Russian armies held Finland at one time but failed to get Leningrad. Still, there is a great deal of strategic sense in Ludendorf's observation, and no man who seeks to estimate the chances in the next European war can afford to ignore the vast country that stretches along the Eastern shores of the Gulf of Bothnia and commands the main sea route to European Russia.

Where does Finland stand today? Up to a few weeks ago, the reply to this question would have presented little difficulty. The country owes its freedom from Russian Bolshevik rule to German assistance; its peasantry was for years almost fanatically anti-Red. The chiefs of its army were on the closest terms of intimacy with the leaders of the Reichswehr, and in the field of internal politics a Fascist movement, with many points of spiritual resemblance to National Socialism, has long been a very potent force—so much so that the late General Goemboes, who dreamed of a great Central European bloc composed of Germany, Poland, Austria, Hungary and Italy, reckoned confidently on the active assistance of Finland, which he once described in the course of a private conversation as the advance base for a future combined offensive by air, sea and land against a vital part of Soviet Russia.

The Finns themselves were perhaps not ready to go so far. The policy of the Kiwimaeki Government, which held office till October of this year, was, very reasonably, inclined to look upon neutrality as a better investment than war. It was anxious to join the Scandinavian states in a policy of prudent reserve, and with this end in view, cultivated close economic, political and cultural relations with Sweden. However sound this policy might be, it did not appeal to a large section of Finnish public opinion. For Finland, like so many other European countries, has its language and nationality problems, chief of which is the sharp and ancient rivalry between the pure-blooded Finns and those of their countrymen who are of Swedish origin. A foreign policy based on close friendship with Sweden was felt by many to give an undue advantage to that section of the Finnish people which looked to Sweden as the source of culture and inspiration. The true Finn is no Scandinavian, but forms with the Esthonians and one or two smaller tribal remnants living on the shores of the Baltic, the last island of a non-European race that bears no sort of relation either to the Slavs, the Germans, or the Scandinavians.

When a Speech Won a Job

On October 2 of last year Kyosti Kallio, who was then President of the Chamber, delivered an arresting speech in Helsingfors that was broadcast by all the Finnish radio stations. He did not directly attack the Swedish connection, but stressed with an

HELSINKI HARBOR: "Finland is the lock to Russia. Give me the key and I will open the door."—Ludendorf.

unusual warmth of language the close racial ties that, throughout the ages, have united the Finns and the Esthonians. "Our destiny," he said in effect, "is bound up with that of our Southern brothers, who are in a very similar economic and political situation, and who are threatened by similar dangers and animated by similar hopes."

The very same day, the President of the Republic, Sviuhufud, asked Kallio to form a Government. On October 6 this task had been successfully accomplished, and on the next day the new ministers took over their departments. The new cabinet is a coalition of three groups the so-called National Gathering party, the Agrarians, and the Progressives. For a majority in the Chamber it is dependent on the votes of the Social Democrats. This fact is of great importance in determining the trend of Finland's foreign policy. The sympathies of the parties of the Second Internationale are obviously on the side of the Democratic powers as against the Fascist countries. The presence in the Government ranks of so conservative a group as the National Gathering Party, two of whose leaders, Puhakka and Oksala, hold in the cabinet the respective offices of the Interior and of War, made it improbable that the cabinet would find itself in a position to make serious concessions to Social Democracy in the field of internal affairs. To conciliate the Social Democrats, they must be listened to in foreign affairs.

This tendency was clearly illustrated in the choice of the man to whom the Ministry of Foreign Affairs was entrusted—Mr. Holsti, who up till then had been Finland's representative in the League of Nations. Mr. Holsti belongs to the Progressive party, which is similar to English liberalism. He is known to be a fervent adherent of the Democratic bloc, a warm friend of England and of France, and, incidentally, an admirer and student of American institutions. To the instinctive dislike for Fascist policies that is the hallmark of a stalwart Democrat, he adds a wholesome fear of German ambitions in the Baltic, and in the course of his Geneva activities never made it a secret. In 1922 he held the Foreign Office for a short period, and already at that time he

had tried to lay the foundations of a Baltic bloc that would look for its inspiration to the great liberal states of Western Europe. A treaty of mutual amity entered into by Finland, Esthonia, Latvia, and Poland was signed in Warsaw in 1922 mainly as the result of his efforts; it was a diplomatic instrument, but was meant to lead the way to a military convention. The treaty was stillborn, because there was at that time a pro-German majority in the Finnish Chamber, which refused to ratify an agreement with Poland, the then close ally of France.

Democracy and the Baltic

In recent years Poland, led by Colonel Beck, gradually drew away from French influence and at one time it appeared that she had irretrievably committed herself to the German camp. The death of Marshal Pilsudski and the advent to power of General Rydz-Smigly led, in the summer of 1936, to a return to the old French tradition. The way is now clear for Mr. Holsti's dream of a Baltic bloc, closely associated with Poland and in general sympathy with France and England; that is, with those powers that stand for the preservation of peace and for democratic ideals. In the meantime, the situation in the one Baltic state that stood aside in 1922 has changed: Lithuania, at that time bitterly smarting under the loss of Vilna which had been snatched from her by a buccaneering Polish general, remained adamant to all suggestions of an understanding with Warsaw. Today things are different. Time has done its work in mitigating the memories of the Vilna incident; Lithuania has begun to realize that she is too weak to stand alone. Lithuania knows, too, that she has three dangerous neighbors—Poland, Germany and Soviet Russia—and that she must, in sheer self-preservation, seek support somewhere. The new Baltic bloc, Mr. Holsti can have good reason to hope, will consist of Poland, Finland, Esthonia, Latvia and Lithuania—a sort of Little Entente of the North.

There are still many obstacles in the way

BALTIC BARRICADE: The perpendicular row of small nations which, under Finnish leadership, prepare to thwart Herr Hitler's vaulting ambitions in Eastern Europe. They work towards the formation of a "Little Entente of the North," in the belief that "time works for peace and the democratic powers."

of the practical realization of this policy, and some time may elapse before a formal treaty is concluded among these Baltic states. But from now on the spirit of such a treaty will be that of the policy of Finland. This news has been received in Germany with positive dismay. The press has remained silent on the subject, as it does on any subject unfavorable to the Hitler Government, but in the Wilhelmstrasse the significance of the Finnish move is very clearly realized. The recent successes of German policy in South-Eastern Europe, the intrigues against French influence in Bucharest and in Belgrade, and the detachment of Italy from the Western Powers, are felt to be offset by this diplomatic disaster in the Baltic. It is not only a question of Finland, for it is obvious that this Baltic development will fortify the rulers of Poland in their determination to return to their erstwhile Franco-British allegiance. And when all is said and done, the Baltic is more vital to Germany than the Danube, and Polish armies closer at hand than Italian legions.

Staving Off the War

Very slowly, confusedly, a new grouping of forces is crystallizing itself out of European chaos. Does the formation of two rather closely knit blocs, one of them Fascist, the other more or less Democratic, necessarily mean war?

The question was put to one of the new Finnish Foreign Minister's closest associates. His reply was a remarkable one, for it differs widely from the view of the average European who is today beset by a terror of impending disaster: "No, I do not believe that. On the contrary, if war can be avoided within the next year or so, it will probably be avoided altogether. I will tell you why. America, England and France have made a beginning with their currency agreement. That contains the germ of a sound, solid economic and financial bloc, around which we and many of the minor European states are grouping. The states that appear to be on the other side, Germany, Italy, Austria, Hungary, are all financially and economically weak, and their mad race towards ever greater armaments is increasing that weakness daily. Time works for peace and for the Democratic powers. The day will come when their economic might will be so overwhelming that the slightest pressure from them would suffice to bring all intending trouble-makers to reason. That is what we are working for, and that, I firmly believe, is what we are going to achieve."

Britain's Bulwark Against Japan

England's fifty-million naval base at Singapore rose out of a jungle

BY IGNATIUS PHAYRE

WHEN Lord Redesdale went to Tokyo with the Duke of Gloucester to confer the Order of the Garter on the Emperor Hirohito, he visited a Foreign Office which is well named *Kasumi-ga-seki*, or the "Cloudy Barrier." There Redesdale heard much regret over the ending of the Anglo-Japanese Alliance. "One day" (he tells us) "they spread out a map, and the Vice-Minister said to me, 'Look at these two Island Empires! Are they not like two eyes in a face? *If only they could see together!*' "

Those "eyes" have squinted badly since the Washington Conference of 1921–2. Who would have thought that militant Japan was to ally herself with Hitler's Germany, thereby creating what the Quai d'Orsay calls "a very serious complication" in a war-mad world? That secret pact was signed in Tokyo on Jan. 4, 1935—just as President Roosevelt was deploring the "Law of the Sword" to which he saw all nations committed outside the two Americas.

That union of East and West was long in ripening. When Vice-Admiral Matsushita and his officers were in Berlin, they were highly favoured by the Führer and his Ministers. At a State banquet the Admiral compared the economic trials of "our Japanese Fatherland" with Germany's own. "Luckily," he went on, "both races, though geographically far apart, are yet one in efficiency, valour, and tenacity." He wound up by quoting Inazo Nitobe: "Nations in danger of suffocation will sooner or later resort to Force in order to improve their condition."

A "Hive of Defensive War"

But what of that other "Island Empire" whose seat and centre is London? Its Dominions are so scared of the *samurai*-drift of Nippon that they have contributed large sums for a fortress-base whose creation is an engineering wonder as well as a political fact; I have myself explored that amazing hive of defensive war known as the "Singapore Base."

How does General Jan Smuts, the South African statesman so highly esteemed in Downing Street, view the growing "Yellow Menace" which Kaiser Wilhelm foresaw long ago? "Two-thirds of the human race" —Smuts warns his people—"are now on the move, swayed by an Eastern Power which claims naval equality with the two foremost Sea-Powers of the world. So we are face to face with one of the major developments in history. The policy upon which Japan has embarked involves the gravest risk. Our complex machinery of peace may be destroyed and the Pacific Ocean looms as the world's danger-spot on a colossal scale."

Australia and New Zealand alone, with overseas trade of nearly $1,000,000,000, have found their Motherland bearing the main cost of defense. Hence their swift support of this mighty "three-arm" fortress at Singapore which is now the strategic key-point of the whole Imperial system. Begun in a noisome and steamy jungle of swamps and pests, nearly $50,000,000 has already been spent. It was Sir Samuel Hoare who reminded the daughter nations that, "The greatest part of this outlay has fallen upon us."

Times Wide World

QUEEN OF THE SEAS: "Along the Singapore sea-wall tower steel cranes that can lift monster guns out of a battleship as easily as a child can pluck plums out of a pudding."

Enormous Australia, nearly as big as the United States, yet with only New York City's population, offers a tempting bait to poor and populous Japan. So does Canada, as a sub-Continent of limitless wealth, though it has no more people in it than Greater London. The South African Union, too, is very nervous. Oswald Pirow, its Minister of Defense, finds even the Golden Rand accessible to heavy bombers of to-day. "We do not possess a single warship," Jan Smuts told his people "which could ward off the fast 'carriers' that house whole squadrons of destructive aircraft."

Sensitive Japan, as we all know, has many wounds to lick, from California's Exclusion Laws to the brusque abrogation of the British Alliance of 1902. Today her fighting Services dictate to the civil power under the cloak of ensuring "the peace of East Asia." Hirohito's armed forces in all three elements have long been in that state which the Germans call *Kriegslüstern,* or "spoiling for war." Their daring plan, according to Lord Strabolgi, himself an ex-Naval officer who held high sea commands during the World War, has five phases. No. 1 was the seizure of all Manchuria. The second aims to annex Shanghai, Nanking and the Yangtse Valley. Next is the occupation of Canton and its littoral. After that comes the wresting of Indo-China from the French. *"And the fifth will be the conquest of India!"*

Japan's Demands

Add to all this the cock-crowings of Japanese officers like Commander Tota Ishimaru, and one grasps what the defensive bulwark at Singapore means to the hugest Empire in human annals. That bellicose seaman calls his book: "Japan Must Fight Britain!" He finds war inevitable. The Downing Street Cabinet yields to every

demand: removal of all barriers to Japan's devastating trade; free admission of yellow migrants to all parts of the Empire; complete liberty of action in China and Asia generally, and even the cession of "convenient" British territories!

Here are "dangerous thoughts" with a vengeance! No wonder the U. S. Asiatic Fleet under Admiral Harry Yarnell, together with the Dutch East Indies squadron flying Commodore Helfrich's flag, lay at anchor the other day in Singapore Harbor, while Sir Shenton Thomas, Governor of the Straits Settlements, hurried to and fro between twenty foreign warships whose captains went into conference.

That day we heard significant news from officers of the cruisers *Java* and *Sumatra.* Oilfields and munition dumps in Dutch Borneo had been heavily mined, so as to prevent their capture in case of an "undeclared" war, such as the new *Wehrwissenschaft* that Hitler, Göring, and Von Blomberg have envisaged. "If in the hour of trial," the Dutch Commander-in-Chief told us, "Holland can rely on this wondrous Singapore, then you of Britain can make all the use you want of *our* base in Souribaya."

Singapore Island has been wrought in silence into a "Gibraltar" zone without a parallel east of Suez. Twenty miles long and fifteen broad, it lies at the tip of the Malay Peninsula and commands the only direct sea lane between two great oceanic regions. Alternative routes between the North Pacific and Indian Ocean are either too long and "round-about" from the naval point of view, or pass through a maze of islets where hidden foes could cripple a modern armada fleet.

Why England Wants Its Base

It is fourteen years since the British Government decided to locate here a docking and repair-station for its Pacific Fleet. The ancient trade with China felt new perils; so did millions of pounds' worth of property in China itself. Other cares were sensed in the great port of Hong Kong, in huge Borneo with its precious oil wells, New Guinea and its gold-mines; above all, the "empty" continent of Australia with Tasmania and New Zealand. Any threat to these would bring British warships into action; an upset of balance in the Philippines or the Dutch East Indies must be viewed as "a matter of deep concern" to the Foreign Office in Downing Street.

Therefore every device was called into play to make this station impregnable. Between the island and mainland runs a strait which is crossed near the centre by a stone causeway connecting Singapore Island with the town of Johore just opposite. Five miles of coast is allotted to the Naval Base itself. Beside its sea-wall, the largest merchant vessels can berth and be served by adjacent warehouses. What with islets, shallows and "bottle-necks," this new sea-stronghold of the East has features of high interest for all scientific soldiers, sailors, and airmen.

Of course, it is in the main a "secret place" and its spy scares would pack a volume with thrills. The case of Y. Nishimura, who dropped dead while being questioned by the police, is one of the most mysterious in the Far East. This man was President of the local Japanese Society, and had many furtive callers of his own race. Whether Nishimura's tragic end was a patriotic act of *seppelou*, or self-destruction, may never be known.

That this giant work in Singapore has wounded Japan's pride is a political fact well known to Sir Samuel Hoare at the Admiralty, and to his brilliant young colleague, Anthony Eden, at the Foreign Office farther down Whitehall. The enormous dry-dock, with its massive gates, as well as the huge floating dock that was towed out from England to Singapore—8000 miles, and a notable feat of seamanship—are now functioning. Auxiliary to these are new works at Port Darwin in Northern Australia, and also at Trincomali, a superb harbor on the east coast of Ceylon.

Along the sea-wall tower steel cranes that can lift the boilers or monster guns out of a battleship as easily as a child can pluck plums out of a pudding. Here also are dredgers and power-stations, houses, offices,

and stores. Slowly, but surely, systems of defence have been developed by land and sea and air; the whole coordinated under the best brains which a forewarned Britain can select for the "Day of Wrath" which is seen unescapably ahead.

The Empire Opens Its Purse

Yet who would believe that this ultra-modern fortress was once a wilderness of mangrove swamps and tropic jungles which had first to be drained, cleared, and reclaimed? This went on for years before any constructive work was possible. The aged Sultan of Selangor joined his three brother princes of the Federated Malay States in subscribing £2,000,000 towards the initial cost. Then last year His Highness of Johore gave a further £500,000 to hurry on defences that are unlike any others. New Zealand promised £1,000,000; even Hong Kong contributed to a defensive focus that may relegate this China base to a minor place.

Civil engineers of the Admiralty drew audacious plans which the firm of Sir John Jackson, Ltd. carried out, well knowing the base to be a vital factor in Britain's strategic system for the Pacific. At the close of the main contract last March, a check for $20,000,000 was handed over to Jackson's. The docks are all of cement and granite. Much of this last came from Johore, but still more from Aberdeen, where it was chiselled by Scots' experts at points where the caisson of the graving-dock has to be slipped exactly into its place.

The Naval and Air bases, as well as hidden forts that mount guns up to 13 in. calibre are, of course, on or near the strait that bounds the north of Singapore Island. Military forces, except gunners and sappers, are stationed closer to Singapore city, on the south side. As for the garrison, made up of crack regiments and Gordon Highlanders, it is constantly increased by units of field artillery, tanks, and "other auxiliaries" of a nature not yet disclosed. Royal Naval Volunteers, Malay ratings, civil aero-clubs, and even Chinese levies—all are dovetailed into a composite "weapon" of matchless efficiency. The Straits Government pays $500,000 a year towards the upkeep, in addition to all the valuable land that has been freely ceded to the base.

The climate here is very trying for white men, with an average rainfall of 100 inches, and a temperature of 80 to 90° during the whole year. Tropic diseases must be fought and mosquitoes kept at bay, with 70,000 gallons of kerosene always on tap. To avoid dysentery and cholera requires careful feeding of British soldiers and sailors. Their health and spirits also require first-rate housing, with sports and games, cinemas, and other amusements in a natural hothouse where all conditions are exhausting.

Constant watch is called for to resist rust on metals and attacks of the white ant. As fresh ground is cleared, venomous reptiles must be destroyed. The strait itself is a fearsome haven for man-eating sharks, crocodiles, and poisonous water-snakes; these are treated to explosive depth-charges, as with the lurking submarines of the World War.

One is bewildered by the complex masses of machines in this advance-post of Empire. It stands about half-way between India and Australia; it is the same distance from the China Seas which carry a vast volume of the sea-borne trade upon which British prosperity depends. Thus Singapore must serve the fleets that defend Britain's interests in three major spheres. Upon it millions in money must be freely lavished, since possible Allies, or at least "Associates"—Holland, and even the United States—may one day rely upon Singapore when the Eastern conqueror is on the march.

Keeping the Base a Secret

Imposing and peculiar structures lie behind barbed wire as "special areas," where photography is a serious offense. A warlike world shimmers here in the hot haze. Artillery and engineers are barracked at Changi, once the most popular bathing beach of the island. Then at Seletar, a former fishing village looking out

FAR EASTERN CROSSROADS: Singapore, the gateway to the Pacific, commands the routes eastward to Hong Kong, Shanghai, and Japan, westward to India and Ceylon, and southward to Australia.

to the Straits of Johore, a Royal Air Force station has sprung up, equipped with machines of incredible speed and armament. This is even more secretive than the great Naval Base a few miles off, at whose gates stand turbaned Sikh police with loaded rifles and fixed bayonets. Air-Commodore Sydney Smith, Chief of the R.A.F. in the Far East, has laid out new aerodromes for his torpedo bombers, and has built moorings for flying-boats so fast and large that they may be considered "cruisers of the clouds."

Then the island of Blakang Mati, with part of Pulau Brani and Pulau Tekong, cover the main entrances to Singapore with a labyrinth of Royal Navy and War Office sectors. China, I may say, is highly interested in this elaborate bulwark of Britain, especially the Air Base. When I was there last year I met Colonel Shen Teh-hsieh, who is Chiang Kai-shek's Chief of Aeronautical Affairs in Nanking. Members of Shen's mission were invited by the London Air Ministry to study the flying-technique and training for defense out there, with demonstration-flights given on day and night operations.

What I may style the civilian core of all this defensive craft is the Malayan babel of Singapore itself. Here the latest census shows 490,155 people, living 14 to each house: Chinese, Indians, Malays, Europeans, Eurasians, Japanese, and a few "others." The various works of all arms go ahead with tireless zeal. Heavy guns on railway mountings glide up and down the coast. The new garrison town of

Changi, with artillery, engineer, and infantry barracks borders a narrow sea-way which has a depth of eleven fathoms.

On the heights of Mount Faber, fifteen-inch batteries are invisibly emplaced in concrete. Thousands of coolies are still at work on the 50,000-ton floating dock, as well as on the fuel-oil depot where 1,250,000 tons are stored—enough to supply a large fleet for six months—in underground tanks. Secret councils have been held on H.M.S. Kent, the flagship of Vice-Admiral Sir Frederic Dreyer, of the China Squadron. With him was Vice-Admiral Dunbar Nasmith, from the East Indies station; Vice-Admiral G. F. Hyde, Royal Australian Navy, and Commodore F. B. Watson of New Zealand. These, together with the Air Force Marshals and Kenneth Lindsay, Civil Lord of the Admiralty, keep in constant touch with Whitehall through radio-stations of great power.

"Every portion of the Empire," Mr. Lindsay avers, "must do its bit to safeguard Democracy, and protect its principles if they are attacked."

Japan's Military Mind

Not much transpires of what passes in these frequent "Cabinets" afloat. But everyone knows how the trend of *Nippon Seishin*, or Japan's race-mind is weighed by them and especially the truceless "war" which its own fighting services wage against the civil power in Tokyo. Have not the Kwantung and Imperial Armies confronted the Treasury with a staggering demand for 6,200,000,000 yen, or about $1,808,250,000 for the coming year's estimates? This is to cover a six-year program, half of it for rearmament and military aviation in which Japan is much inferior to Soviet Russia.

Singapore is now linked with Hong Kong by flying boats of the "Scapa" and "Southampton" types, under Air-Commodore Sydney Smith. On their return flight, these powerful craft call at French Indo-China and the Philippines, as well as British North Borneo and Sarawak, where the great Miri oilfields are located and whose Rajah is that romantic Englishman, Sir Charles Brooke. Then again, the British and Chinese authorities are building a refueling base for seaplanes in the Paracel Isles, 400 miles south of Hong Kong on the direct Singapore route. Nothing can be left to chance, now that Japan's Asian and Pacific aims are plain to see.

Combined manoeuvres of all three arms are a thrilling sight, and all the local Babel queues up to buy tickets at the vantage-points of sea and land and mountain. Here, in short, lies Britain's "fortified triangle" between Colombo, Singapore, Hong Kong and Darwin in North Australia. These mimic attacks make a grand sight after dark. If this stronghold defies the mystic spirit (*Yamato-Damashi*) of proud Japan, it also affects the plans of Hitler's Germany.

Just what tacit agreement on Singapore has been made by Anthony Eden in Downing Street and Cordell Hull of the State Department, no outsider can presume to know. But the blunt view of Josef Stalin is worth recording on the elusive flame of to-day's *Wehrmacht*. "Wars are not now 'declared'," that grim Georgian tyrant points out: "They simply start!

"As I see it, two points of world-danger face us now. One lies in the Far East; I mean, in Japan's sphere. The other is in Europe, in Germany's ambit. It is hard to say which is the more threatening. Both exist, and both are smouldering. Perhaps matters in East Asia and the Pacific are the more serious. But the centre of danger may at any time swing to Europe. And then—?"

Let Kaiser Wilhelm II (above all men!) fill in the gap that Stalin leaves here. A generation ago he could write of the "Yellow Peril":-- "There will be a decisive battle between Western civilization and the semi-civilization of the East!"

A SOCIALIST SUCCEEDS GANDHI

The mantle of the Mahatma passes on to the personable Pandit Nehru

BY KRISHNALAL SHRIDHARANI

MAHATMA GANDHI'S mantle has passed on at last. It has fallen on Pandit Jawaharlal Nehru, a comparatively young man and a dynamic, militant figure.

Americans, and, for that matter, Europeans often ask whether there is any one great enough in India to carry on the aging Mahatma's work. Underlying the query has frequently been the suggestion that the Indian movement for independence from Great Britain will go to pieces when Gandhi is gone.

The question is settled now. A new leader has emerged in India. This transference of power, besides, has a great bearing on international affairs. For Mr. Nehru, the new guide of 350,000,000 people, happens to be a Socialist.

As in every country, but more so in India, personality plays a larger role than ideology in the making of leaders. The Indian multitudes followed Gandhi more for his personality than for his politics. Most of them followed Gandhi the Mahatma.

To step into the position vacated by the Mahatma, who is the most complex and multi-sided character of modern times, is a particularly difficult job. The aspirant had to qualify himself in various and conflicting ways. Like gold, he had to pass through fire to remove any trace of dross. For Gandhi's only legacy is a crown of thorns.

Jawaharlal has proved his mettle. He has been a political prisoner several times. The constant confinement, however, has failed to smother the fire in his heart. The British law courts have demanded eleven years and nine months out of his twenty years of allegiance to the Indian National Congress. Sometimes, of course, he was released before the term of his imprisonment expired. He is forty-seven now, and he has spent over six years of that time in more than six jails of British India as well as those of the Native States. Even now, there is a growing fear in India that he will be arrested again before long.

This record of suffering and self-sacrifice is justification in itself for Jawaharlal's popularity. He has, however, participated in more active heroism. In 1928, he led a demonstration against the Simon Commission. He was severely beaten by the mounted police in Lucknow. On one occasion, he scoffed at a murder threat from terrorist quarters.

It is necessary to know Jawaharlal's family background in order to fully appreciate his suffering and sacrifice. He was born with a silver spoon in his mouth and his slightest wish was a command in his early years. For two centuries, the Nehru family has possessed great wealth and prestige. His ancestors moved down to the plains from the Kashmir Valley at the behest of Mogul Emperor Farruksiar. The Mogul created them landlords. That was in the eighteenth century. Ever since culture and luxury have been the lot of the Nehru family, which still retains its original Aryan features and complexion.

Jawaharlal's father was the outstanding lawyer of his day. His position in the nationalist movement was second only to Gandhi's. But this did not bind him to the Mahatma's simple life. On the other hand, Anand Bhawan, the Nehru's Allahabad

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GANDHI'S SUCCESSOR: Pandit Jawarharlal Nehru, a Socialist, now leads India's masses against British imperialism.

residence, is more magnificent than many a maharajah can boast.

Legends have grown up and persisted, in spite of all denials, around the reputedly extravagant living of Motilal and Jawaharlal Nehru. Although groundless, these stories have played an important part in popularizing the father and son. One story has it that the Nehrus sent their linen to a Paris laundry every week. More prevalent still was the legend that Jawaharlal and the Prince of Wales, now Duke of Windsor, were such inseparable co-students at Harrow that when the Prince visited India, he asked to see Jawaharlal who was in jail at that time.

The truth, however, is that frequent donations by the Nehrus to the cause of India's freedom have rendered the family considerably poor. Even the palatial Anand Bhawan has been given away to the Congress. When the masses compare, as they naturally do, the present impecunious condition of the family to its previous overabundance, the result is obvious. A halo of renunciation surrounds the face of Jawaharlal in the mass mind.

At sixteen, Jawaharlal went to England with his parents. There he entered Harrow and later went to Trinity College, Cambridge and came under the influence of Oscar Wilde and Walter Pater. Consequently, he adopted what he calls cyrenaicism, which was in the air at Cambridge in the first decade of the century. His ambition to play a prominent part in Indian politics, however, kept him busy watching developments in India.

At twenty, Jawaharlal took his degree from Cambridge and joined the Inner Temple. In 1912, he was called to the Bar. After seven years of the English scene, he returned to India.

Two Leaders Meet

Gandhi and Nehru met for the first time in Lucknow in 1916 at the annual session of the Congress. That year saw the beginning of the Gandhi era of nationalism. The mutual admiration and friendship of the two—leader and lieutenant—grew with time. Today, twenty years later, they meet again at Lucknow at another annual meeting of the Congress. But this time Jawaharlal is the president and Gandhi the "retired general."

Today, after twenty years of unfaltering loyalty to the Mahatma, Jawaharlal has come to the parting of the ways with his chief. During the last two decades, the younger leader has come face to face with the dire facts regarding the condition of the Indian masses. Gently bred, he was at first appalled at this spectacle of stark poverty. Recovering from his instinctive nausea, he next condemned himself as a part of a system which he saw sucking the very life blood of the masses. Finally, today, he reveals himself as an avowed Socialist, and goes from town to town declaring "that the only solution for India's problems lies in socialism, involving vast revolutionary changes in the political and social structure in land and industry as well as the

feudal autocratic Indian States system, which has long outlived its day."

As a matter of fact, Nehru is not a pioneer socialist in India. Communists and Socialists pitched their camps in the country a long time ago. Nehru, moreover, has taken to socialism gradually, step by step. The thing that singles him out most from the Socialist ranks in India is that he is also a well known Congressman, holding an important office. But he has not split with the Congress. And nothing substantial can be achieved, he has admitted, time and again, without Gandhi.

The rise of socialism in India can be traced back to the World War. As a result of the war, India had an industrial boom. Manufacturing tycoons doubled and tripled their wealth overnight in those days, but the plight of the workers remained unchanged.

Consequently, the rumbling of discontent among the proletariat, audible in pre-war days, grew louder. The teeming farming population of upper India, especially inhabitants of Punjab, were resentful of the ravages made on their male community by enforced enlistment in the British Army. The inevitable post-war slump increased the general uneasiness. The brunt of the depression fell upon the workers. The industrialists forgot the abnormal profits of war-time, and began to reduce wages, to dismiss employees.

Gandhi Looks to the Farms

The awakening of the masses found some outlet in the Congress activity which was at that time completely dominated by Mahatma Gandhi. Gandhi's outlook has always been typical of that of a peasant. India is essentially an agricultural country; ninety percent of its population depends directly or indirectly upon the soil. It was natural, therefore, that the largest sector of the masses, the peasants, should be drawn to an organization controlled by the "Super-Peasant."

The workers in the big cities, however, such as Bombay, Calcutta and Ahmedabad, did not see the answer to their problem in the Congress. They looked upon it as the mouthpiece of the bourgeoisie, a body financed by the capitalists of the country. Consequently, they began to consolidate their ranks in unions of their own. The All India Trade Union Congress, founded in 1921, was a powerful group by this time. Inspired by developments in the Soviet Union, especially by the Five-Year Plan, the urban workers were waiting for a Messiah from the steppes. By 1927, as Jawaharlal put it, "vague confused socialism was already part of the atmosphere of India."

About this time, a new element was gaining importance in the Indian political mosaic. The youth of India was demanding a hearing. Their organizations sprang up like mushrooms, and by 1928, there was hardly a town of any size in India without its unit of politically-minded young men. These societies were sincerely radical. Their guiding spirits were Socialists or near-Socialists. They advocated that Gandhi give up his leadership. They wanted a younger, more militant captain.

At this very psychological moment, Jawaharlal returned from a visit to Russia. A following was already waiting for him when he came to India with new ardor and resolution. His work among the peasants of the United Provinces had already given him a name among the urban workers. Always fiery in phraseology, he now had a Soviet background. With no hesitation, the youth of India took him as their idol. Ever since, his activity has flown into two channels. On one hand he has gone on with his work as a prominent nationalist in conjunction with Gandhi and the Congress. On the other, he continues to propagate socialism, depending on new associates outside the Congress ranks.

Class Consciousness in India

The labor movement came to a head in 1929. Strikes occurred all over India. The Bombay Textile Labor Union was the first. A general strike of the jute workers followed in Bengal. The Iron Works at Jamshedpur, one of the largest in the world,

was the next to be threatened by a labor war. The Iron Plate Works in the same industrial town, connected with the Burma Oil Company, succeeded in suppressing the walkout before it reached large proportions. The labor movement was becoming class conscious for the first time in India's short industrial history.

Meanwhile, the struggle on the nationalist front was reaching its climax. With the instinct of a born leader, Gandhi felt that the time had come for direct action against the British Government of India. The situation called for a strong Congress president who could swing the youth leagues and the workers behind that body. Gandhi's choice was Jawaharlal. He was the youngest Congress president ever to occupy the chair. Under his leadership, the Congress started the Second Civil Disobedience movement which began with Gandhi's march to the sea. Oddly enough, he presided over the All India Trade Union Congress in the same year.

As one of the most active leaders of the national struggle, the young Socialist soon landed in jail. In fact, except for a few weeks between his numerous arrests, Jawaharlal has spent all his time in prison since 1930. In those years of solitude and introspection, he carefully plotted his next line of action. Released last spring on account of his wife's illness, he lost no time in making his platform clear. His solution for India called for greater revolutionary changes in the social order than a Gandhi-dominated Congress was likely to sanction. It was socialism, pure and simple.

All these years, Jawaharlal had worked under Gandhi with the hope that he would win the aging leader over to the cause of socialism. He eventually did succeed to a certain extent. He won Gandhi's support in the Declaration of Rights resolution, which was based on the similar American Declaration and on Socialist theory, at the Karachi Congress. He converted Gandhi to Complete Independence for India from Dominion Status. Gandhi even melted so far as to admit that "de-vesting of vested interests" is essential for doing away with the exploitation of the masses. But that was all.

Evolution With an "R"

There remains a bridgeless canyon between the methods of the two leaders. Gandhi's faith is pinned on social evolution, a gradual and voluntary conversion. The younger man thinks that India should work toward social revolution, and that compulsion is necessary. Gandhi does not believe in the destruction of the class with property and bank accounts. He contends that under proper supervision, they should hold their wealth in trust for the people. To Jawaharlal this sounds medieval. He objects to Gandhi mixing religion and mysticism with politics. The young man believes it dulls the edge of revolutionary ardor.

The odds are piled up against Nehru as the leader of Socialists in India. An overwhelming number of the Congressional representatives are not in favor of socialism. The party is, to be sure, growing stronger. The masses are still conservative, as agriculturalists are bound to be the world over. In India, the farmers still think of their miseries in terms of fate, rather than indulge in ratiocination.

Jawaharlal advocates a Socialist republic of workers and peasants of India. It is a well-known fact that in a republic the workers usually get the upper hand over the farmers because of the former group's urbanity and superior organization. Hence India, ninety per cent rural, is far from an ideal country for socialism to flourish. Emphasis on the side of the agriculturists is a prerequisite for any form of government to succeed there.

Mahatma Gandhi, the National Congress, and the nation at large, have the typical peasant outlook on life. The urban Jawaharlal, therefore, has a long way to go. No one realizes this more than Nehru himself, and he does not, consequently, force the issue. India's immediate problem, moreover, is national independence, and that is one plank on which all are agreed—Socialists and nationalists alike.

TURKEY GOES TO SCHOOL

"The cornerstone of our cultural policy is suppression of ignorance"

BY HARRY N. HOWARD

ONE OF the significant results of the World War was the dissolution of the Ottoman Empire. No less astonishing was the rejuvenation of the Turkish nation under Mustafa Kemâl Atatürk. The break-up of the old Empire was a prerequisite to the great political, economic, social, and cultural changes which have played so fundamental a part in the history of the Turkish Republic. Among the significant changes which have taken place none are more important than those in the field of education. The new educational structure was to transform Turkey from medieval Islam to modern technology and nationalism.

Before the Reform (*Tanzimat*) of 1839 education was conducted in schools (*Mektep*) and theological seminaries (*Medresseh*), which were supported by charity. Children were taught to read the Koran, but little significance was attached to reading or writing the Turkish language. In the seminaries the principal subjects were Arabic grammar, rhetoric and style, logic, metaphysics, theology, studies in the Koran, and Moslem law. As late as 1908, when the Young Turks came to power, these schools held on to the older curriculum, though efforts at modernization were made.

But even before 1839 there were notable developments. There was a palace school, and in the latter part of the eighteenth century, in an attempt to reform the military system, a new school of engineering and a naval school were established in the capital. A school of medicine was founded in 1827.

In 1846 a commission recommended the establishment of elementary and secondary schools and a university. But in these institutions the old Islamic studies dominated, little time being given to history, geography, or the Turkish language. However, a Committee on Education was appointed in the next year to supervise the new schools, and in 1857 a Ministry of Education was actually created. The first high school for girls was founded in Constantinople in 1861. Nine years later a training college for women high school teachers began its labors. And in 1871, the University of Istanbul was founded.

There can be no doubt as to the fundamental influence which foreign institutions and others exerted in the Ottoman Empire. Through these and similar channels came the ideas of western European nationalism and science with their disintegrating effect upon the old Ottoman ideals. Two great American institutions, Robert College and the American University at Beirut were established in 1863 and 1864, respectively. Shortly later, a High School for Girls was founded at Scutari, which in 1890 became the Istanbul Woman's College. The foundations of International College at Izmir go back to 1879.

The primary educational changes during the constitutional period (after 1908) center in the curriculum. Psychology and pedagogy were introduced in the training schools. Elementary schools were reorganized (1910) and compulsory attendance for six years was provided. Arabic and Persian were eliminated, but an important place was reserved for the Koran. New lycées were established. English, French, and German were taught.

Pix

THE OLD AND NEW IN TURKEY: "The educational system must create the new minds and the new men and women to fit the modern scheme of things."

Beginning of Western Influence

The government which created the republic in 1923 had already made provisions for an educational program during the critical days of the war for independence against the Greeks (1919–1923). The most significant move was the closing of the theological schools by the Law of Uniform Education of March 3, 1924. This act, which coincided with the abolition of the caliphate and the exile of the dynasty, marks an important epoch in the history of Turkey and the Near East. It laid the basis for modern Turkish education along western European lines. Two years later the Turkish government adopted western codes of law based on the French, Swiss, German and Italian legal systems.

The next significant move was the abolition of the Arabic script by the law of November 1, 1928 and the introduction of Latin characters, now used exclusively in all schools, newspapers, books, official publications and correspondence. The Ministry of Education, which replaced the religious foundations, is divided into four directorates: elementary, secondary, higher, and professional. There are also directo-

rates for museums, libraries, statistics, accounts and equipment. A national Board of Education, composed of a chairman and nine members, is responsible for school programs and publications, and acts as general advisor to the ministry.

Elementary education in Turkey today is free and compulsory for a period of five years. It begins essentially with the kindergarten, though much remains to be done in this respect. Included in the elementary course are such subjects as: alphabet, reading, composition, handwriting, life study, history, geography, arithmetic, nature study, civics, drawing, music, and gymnastics. Girls study housekeeping and sewing. Teachers especially stimulate activity and initiative among children inculcating good habits and good citizenship. Coeducation, of course, prevails. School expenses are administered by a special board in each district. Turkish villages being poor and widely separated, it is frequently impossible for every village to have a separate school. In such cases a consolidated school is built. Sometimes traveling teachers are employed. The number of children in elementary schools has increased from 341,941 (1923–24) to almost 600,000 today. The schools have been so crowded—they now number only 7,000—that some have to operate on a double schedule.

The government has been much concerned with the training of primary teachers. It has set up ten new training colleges, bringing the total up to twenty-four. The training period is five years, and students are enrolled after completing the elementary course. Each student agrees to teach eight years in any school designated by the Ministry of Education. Special courses at Ankara, taught in part by foreign experts, train in the new educational methods. Out of 9,672 elementary teachers in 1923 only one-third were graduates of normal schools. Today more than one half of the 13,000 are graduates, the rest holding diplomas from high schools or other qualified institutions. The starting salary of an elementary teacher is about $25 a month, which rises to about $80 in the twenty-fifth year of service.

American-Style Education

Secondary education is based on the American six-year plan, with three years each in junior and senior high schools, following the five-year elementary period. Another year is now to be added to the senior high school. Entrance into the university or other colleges is conditioned on possession of a high school diploma. The curriculum in the new high schools includes the following:

(1) *Languages*—Turkish language and literature, French, English, and German (two languages are compulsory).

(2) *Social Sciences*—sociology, civics, geography, history, and philosophy.

(3) *Life Sciences*—physiology, biology, hygiene, geology, botany, and zoölogy.

(4) *Natural Sciences*—chemistry, physics, and mathematics.

(5) drawing, music, military, and physical training.

Girls study child care, sewing, and housekeeping. All religious training is eliminated, religion being considered a private matter.

There are now about 100 junior high schools and 40 senior high schools. The number of students has increased from 5,905 in 1923–24 to more than 42,500 today. Tuition is free for all students in junior and senior high schools, attendance being compulsory since 1931.

Formerly, children were taught only from books and severe discipline prevailed. Today the aim is to make every school a living community reflecting the life around it. In the high schools and training colleges students have a degree of self-government which takes the form of health competition, assistance to poor students, school journeys, literary, musical, theatrical and debating societies, school papers, and athletic organizations. The newer schools have rooms for lectures, laboratories, workshops, class and school libraries, and museums. Athletics have been well developed on an intra- and extra-mural basis.

Teachers for senior high schools are trained in the Training College in Istanbul. General education is given through university lectures in the art and literature faculties. Teachers are also drawn from graduates of western universities in Europe and America. The initial salary for secondary school teachers is about $35.00 a month, which is increased to about $140 in the twenty-fifth year of service.

A "Practical" Education

The government has devoted considerable attention to the development of schools which train for the practical arts of life. These take the form of agricultural, mechanical, and commercial high schools. As an example, in Istanbul there is a Superior School of Engineering, a Superior School of Economy and Commerce, a Superior Normal School, a School of Maritime Commerce, and a School of Political Science for the training of administrative officers. Ankara possesses the nucleus of a university in its new Law School, established in 1925. Aside from this institution Ankara has an Agricultural Institute, a School of Commerce, and the Ataturk Institute of Education. There are agricultural schools in the vilayets of Bursa, Izmir, Adana, and Istanbul. A school for mechanics is attached to the agricultural school at Adana. Sericulture schools are established at Bursa, Antalya, Diyarbekir, Edirne and Erzinjan. Ankara has an Institute for Aviculture (1931) which is to study poultry production. A professional school of construction at Ankara (1932) trains workers for the building trades.

Properly heading the Turkish educational edifice stands the University of Istanbul. Following the revolution the University of Istanbul was reorganized, and on April 1, 1924 it was recognized as a fully autonomous institution, composed of faculties of medicine, law, literature, art, theology, pharmacy, and an Institute of Turkology. On August 1, 1933 the university was completely reconstructed along modern lines. The plan for reconstruction was prepared by a Swiss expert. The scientific efficiency of the new institution was enhanced by the addition of many well-known German scholars who were forced out of German universities by the Hitler régime. Altogether about forty German and other western European scholars were called to Istanbul. Provision was made to liberalize the new university. For the first time Latin and Greek were added to the curriculum. The university functions directly under the Ministry of Education and is administered by a rector and four deans. The school is now located in the building of the old Imperial Ministry of War and has a student body of more than 2500, of which more than 500 are women.

Adult Education

But this does not exhaust the program of Turkish education. Closely allied to the formal system of education are the institutions and societies which promote learning and culture. The first of these institutions is the *Turk Halk Bilgisi Dernegi* (The Society of Turkish Folklore), founded on November 1, 1927 at Ankara. Its aim is to study Turkish folklore. Those familiar with the work of the Grimm Brothers in Germany or of Vuk Karadzitch in Serbia will realize the importance of such a society in the building of Turkish nationalism. The Turkish Association for Linguistic Studies (1932) is playing an important rôle in revitalizing and popularizing the Turkish language and making it an instrument of modern thought. Even more significant, perhaps, is the work of the Association for Historical Studies (1931), which is doing fundamental work in the study of Turkish history. Its aim is definitely nationalistic.

It is very important to understand this new point of view in teaching Turkish history, for it indicates the fundamental trend in the Turkish mind at the present time. It is not a very far cry from that history to the kind that is often taught in American schools. The Association for Historical Studies has established a library of some

4,000 volumes at Istanbul, and among other things has published a popular *General History* (*Tarih*) in four large volumes.

These learned societies, however, are merely at the head of the general cultural movement among the people. A great many steps have been taken to popularize education. Turkish libraries contained more than 200,000 books in 1933, though this is but a beginning of that development. More than 1,700 lecture halls have been established. In 1933 more than 2,000,000 people were attending popular adult schools. Through the instrumentality of the People's Houses (*Halkevleri*), organized by the People's Party—the only party in the country—a beginning has been made in extending popular education in every village, town and city. Though much of this exists only on paper, it is an important step. Today the People's Houses, of which there are more than fifty, are divided into nine sections for the promotion of the fine arts, dramatics, athletics, social assistance, popular classes in various subjects, the development of libraries, hygiene, and agricultural science among the peasants. They are also developing museums and expositions of Turkish products. Under the old régime there were only three museums in the country—Istanbul, Bursa and Konia. The republic has fifteen, many of them with vast historical riches.

The government is "scientifically and methodically" encouraging Boy and Girl Scout work. One might add, too, that in order partially to combat the Y. M. C. A., the People's Clubs have carried on in their own organization and with their own propaganda.

Molding the Turkish Mind

It has been said that every society creates its own educational ideology and organization. So it has been with the Turkish Republic during the past thirteen years. Turkey has been undergoing many changes, though it is well to note that many of the peasant masses have remained relatively untouched by the cultural changes now taking place. As a whole the country is moving from medieval Islam to modern nationalism, industrialism and secularism. The educational system must create the new minds and the new men and women to fit that scheme of things. The People's Party in May 1935 laid down several principles for Turkish education, chief of which are:

> "The cornerstone of our cultural policy is the suppression of ignorance. . . . The training of strongly republican, nationalist, populist, statist, and secular citizens must be fostered in every stage of education. . . . The method followed in education . . . is to render learning an instrument in the hands of citizens for guaranteeing success in material life. . . . Education must be high, national, patriotic, and free from superstition and foreign ideas. . . . The youth shall be brought up with the conviction of considering the defense of the Revolution and of the Fatherland with all its requisites of independence, the highest duty of youth. They shall be taught to be ready to sacrifice everything in order to fulfil this duty."

It is quite natural that there should be a demand for the suppression of foreign schools, and this has sometimes taken the form of an unreasoning fanaticism, though people in the Occident ought to understand both the remote and the present background of this attitude. Though the Turks realize the valuable services of these institutions, they are fearful lest the foreign schools take their children and bring them up in a rather alien atmosphere on their own soil.

The need for modern education is fully realized. The educational budget is a growing one. President Atatürk declared on the tenth anniversary of the republic: "We shall raise our national culture above the present level of civilization."

Mistakes have been made. More will be made. No doubt there has been that fanaticism and narrow-mindedness which in the west we should dignify by the terms "patriotism" and "nationalism." These are but natural in the building of any new society, and they prevail all too often in the older structures. Turkey needs an opportunity to build its own society. The revolution in the Turkish educational system deserves an opportunity to strike deep cultural roots.

Greece's Benevolent Despotism

The people demand—and get—their King back; how long will it last?

BY CHRIST LOUKAS

THE average American's interest in modern Greece comes by way of the love and admiration which he has for ancient Greece. Whenever he hears its name mentioned he immediately thinks of Homer's Iliad and Odyssey, the battles of Marathon and Salamis, the Peloponessian War, the Golden Age of Pericles, the Parthenon on the Acropolis, of Plato and his academy, or the great army of illustrious men of the various fields of learning who immortalized Greece's name. To such people Greece is an ideal; it is the Greece of art and philosophy, not the actual Greece of today. However, some knowledge of modern Greece would give one a deeper comprehension of the ideal Greece and make him love the modern more and the classical no less.

The vast ruins of Olympia are now pleasantly shaded by trees and adorned by grass and flowers. Its stadium, still awaiting excavation, is covered with rich soil on which corn and beets are raised. Similarly, the valley under which old Sparta is buried is now covered by beautiful olive groves. Mistra, the Messeonic Sparta, is nothing more than a heap of ruins of a Byzantine civilization. The only life that remains in this ruined city is found in a small nunnery which shelters only seven nuns. Modern Sparta is a fast growing city with two modernly equipped hotels, owned and operated by American Greeks. Eurotas, the river in which the ancient Spartan youths bathed every day during their training, supplies the water to irrigate the fields of the modern Spartans.

Phaleron, Plato's favorite walk, is also the favorite walk of the moderns. But it is more than that now. It is the Atlantic City of Athens, having beautiful and romantic promenades, a large air drome, and many tiny islands, each large enough to hold one dinner party.

Peraeus, for its size, has as busy a harbor as New York City. Craft of all kinds from all parts of the Mediterranean and from beyond the Straits may be seen here. Modern steamers, large and small; gunboats, native or foreign; sailing vessels from the Greek islands, laden with bright cargoes of yellow lemons and Creton oranges, and a steamer packed with pilgrims for the religious festival on Tenos constitute the daily scene in this busy port.

At Marathon, where the fate of the present civilization was at stake, a beautiful marble dam has been built by American engineers which supplies Athens and its environs with plenty of drinking water. The Copais Lake at Beotia has been drained and the land that was covered by its waters is cultivated by American tractors and is growing excellent cotton, corn, tobacco, and wheat.

American Influence

In fact, wherever one goes in Greece, the spirit of progress is present. Macedonia, the fatherland of Alexander the Great is busy producing tobacco for American smokers. In Salonica, the American Farm School, which was founded by the late Dr. J. H. House, is teaching American agricultural methods to Thessalonian boys. American influence is noticed, not only in farming, but also in business and in education. Returned American-Greeks are introducing American methods in business. The hotels

Times Wide World

DICTATOR METAXAS AND KING GEORGE OF GREECE: "The present form of Government in Greece is, because of the existing party anomalies, the type most expedient for the well-being of the land."

frequently visited by travelers are owned and operated by Greeks who have been in America. These are equipped with all the conveniences which one finds in any modern American hotel. The American School of Classical Studies, the American Schools for Girls at Salonica and Phaleron. Athens College at Psychico, the Near East Relief Industries in Athens and upon the Island of Syra are slowly making their contributions to modern Greek education. Workers are now busy building arterial highways in places where even a mule has difficulty in walking.

In spite of the numerous difficulties which Greece has had since her liberation, she has been forging ahead in industry and education. According to her last census in 1930 Greece had 361 kindergarten schools, 7,735 elementary schools, 427 Hellenic Schools, 59 junior gymnasia, 147 gymnasia, 23 business schools for girls, 13 business colleges, 131 private secondary schools, 35 normal schools, 21 agricultural schools, 109 vocational schools, three police training schools, two postal, telegraph, and telephone schools, one school for actors, 14 voice schools, 21 other musical schools, 14 religious schools, one school for Red Cross nurses, one school of commerce, one agricultural college, one polytechnic school, and two universities.

Traits—Good and Bad

Foreigners who know the Greeks well are of one accord in agreeing that they possess some admirable traits. They are extremely polite and hospitable. Often they go out of their way to make strangers feel at home. They are appreciative of the aid of their benefactors, and show their gratitude in a tangible way by honoring those who have served or are serving Greece. President Nicholas Murray Butler of Columbia University has been decorated twice for his efforts in promoting peace in the Balkans.

But the Greeks also have, as it happens, some less desirable traits. Perhaps the most objectionable of them all, and one which is firmly engrained in the Greek

character, is the disinclination to obey a leader and the concomittant tendency to split up into cliques and groups. It was so in the past and it is so now. The daily life in Greece shows examples of the impossibility of its people to form companies or any other body which involve cooperation and the subordination of the individual to the whole. It has been observed that two Greeks do badly what either could do well alone. Modern Greeks, like the ancients, have an intense distrust and are jealous of each other.

These unenviable traits were stifling the development of Ancient Greece; they are now hindering the social evolution of Modern Greece. They were responsible for the many pernicious conflicts which the various chieftains had during the war of independence which nearly cost Greece her emancipation. These vices brought about the death of Greece's first president, and are blamed for the multitude of conflicts and difficulties which took place during the reigns of Kings Otho, George I, and Constantine XII.

Unfavorable disposition in these respects are not the only handicaps of the Greek people. Certain weaknesses in the Greek Constitution permit active army or navy officers to run for Parliament, and officials of the church to mix in politics. The army has been interfering intermittently in politics since 1843 when it overthrew the Bavarian autocracy, and continuously since 1909. In fact, all the *coups d'état* that have taken place in Greece in the last few years are traceable to the Military League of 1909, which was formed with the object of ending, by drastic action, the barren squabbles between rival gangs of politicians. After every revolution, however, the armed forces are always divided into two hostile camps; the winners and the losers. The former retain both their rank and pay; the latter are deprived of their occupation and rank. The losers hope, however, to restore their privileges by another *coup d'état.* Thus the army tends to be a pretorian guard rather than a national force.

The military leaders have continued their game of periodical *coups d'état* and dictatorships, arresting and exiling various political leaders. Between December 1923 and August 1936 there have been 25 Greek administrations. There have also been two dictatorships; one under General Pangalos, the other under General Plastiras. The former lasted 14 months, the latter 14 days.

In 1928, Venizelos was elected with overwhelming majority and ruled Greece for four years without opposition. Elections of 1933 showed that his popularity was ebbing. On a second election Venizelos was defeated by a small margin and the Popular Party went into office with the late Panayiotis Tsaldaris as Prime Minister. The attempt, by government officials, to assassinate Venizelos destroyed whatever progress had been made toward the reconciliation of the two parties. The inactivity of the Tsaldaris government on the one hand and the overestimation of royalist restoration movements by democratic office on the other, resulted in the Military Insurrection of March 5, 1935 of which Venizelos later became the leader. The revolution was crushed in the name of democracy and for its sake most of the army's and navy's leading officers were exiled. Venizelos fled for his life and was sentenced to death *in absentia*. The lives of the six royalist leaders of 1922 were vindicated by the executions of the three democratic leaders, supposedly responsible for the revolution. Thus the pot of vindication was again boiling in the land of Pericles. The race-old maladies—factionalism, individual strife, and mutual extermination which have been stifling the development of Greece from the beginning of its history—were again in full sway.

Page the King

At this time it was quite obvious, whatever else Greek citizens, statesmen, and politicians of both parties might have desired, that there was one thing which all earnestly wished and prayed for—reconciliation. But their personal animosities were so great that they could not bring it about. They would all welcome in their political arena the appearance of some new states-

man who could command the respect of all political brands and would rally to his side all those whose chief interest was not to perpetuate hatred or look for revenge but to bring about national unity and work cooperatively for the manysided and much needed development of Greece.

While these people were waiting for a *deus ex machina*, the restoration of the Monarchy movement was gaining ground rapidly. General Kondylis sensed this, and aware that he could not defend democracy alone, and fearing that he might lose the King's favor when he returned, he denounced democracy and became the chief supporter of the Monarchy. In the meantime he overthrew the Tsaldaris government, appointed himself a regent, and arranged for the monarch's speedy return. These acts made reconciliation more difficult and politics exceedingly dangerous.

Such was the state of affairs in November 1935 when King George II remounted his throne as King of all the Greeks and an umpire between parties. The ultra-monarchists were expecting the King to be their man, their party chief. They wanted him to ostracize their political opponents and keep the royalists always in power. Kondylis on the other hand, hoped to establish a crowned dictatorship, patterned after the Italian. But the King differed with all those who were eager to continue the fatal schism which for twenty years had divided Greece into irreconcilable factions.

Education in Exile

The King's twelve years in exile had not been spent in idleness. He had applied himself to serious study of social, economic, and political problems, and the observation of the English form of government. His library is filled with books of English and American authors. C. J. H. Hayes' *Essays on Nationalism*, H. J. Laski's *Grammar of Politics*, and R. M. MacIver's *The Modern State* are among his favored books. In talking with him one is aware at the outset of his rich theoretical and practical knowledge of social, political, and educational problems. He is a democrat both in principle and practice, serious by nature, laconic in speech, and has an unusual ability to make his visitors feel at ease.

His first act, when he arrived at Phaleron, was to make a change in the draft proclamation prepared for him by Marshal Kondylis. He altered the phrase "my government" to "my governments." He accepted the resignation of Premier Kondylis and bestowed upon him the Grand Cross of the Redeemer as a consolation prize. Then he appointed Mr. Demertzes as Prime Minister of a service cabinet from which all the political leaders were excluded. He granted general amnesty to all those who had participated in the revolution, or any previous *coups d'etat*. He summoned in conference all the party leaders and informed all male members of the royal family that it would be unwise for them to return to Greece before the political situation was settled. He dissolved the National Assembly which was not representative, owing to Democratic abstentions.

In order to assure an absolutely "free" election, the King took two precautions: none of the members of the government was to be a candidate; and the conduct of the polling was intrusted to judicial officials instead of the prefects, who 19 days before the elections were obliged to quit their posts until the successful candidates had been proclaimed. The election produced a dead heat and divided Greece into Liberals and Anti-Venizelists, because there were 142 deputies from the former elected to the Chamber, 143 from the latter, and 15 Communists. An effort to establish an "Oecumenical" government—a cabinet which would include the leaders of all the parties—failed. An attempt to form a coalition cabinet was also unsuccessful. Party leaders were separately and collectively summoned and appealed to by the King to put Greece above party and collaborate for the good of the land, but with no results. Thus the service cabinet remained in office, hoping to be able to find some way out of the dilemma.

Demertzes died and was succeeded by General Metaxas, who received his military

education in Germany. Metaxas was exceptionally brilliant. His classmates and professors said of him: "Nothing is too difficult for Metaxas." As a general he was a careful calculator and was successful in action. Since his retirement from active army service in 1922, he has busied himself studying political, social, and economic problems. He is as well-read in political science as he is in military science. He is always eager to learn and never hesitates to consult specialists about problems on which he is not sufficiently informed. Responsibility has made him think several times before he will do anything of a serious nature. For a while he followed to the letter the policies of Demertzes. The inability of the two large parties to come to an agreement caused the Chamber to give him a vote of confidence and adjourn for five months.

Dictatorship, or Else . . .

In the meantime, the people were growing weary of this political paralysis. General discontent was mounting among the industrial and agrarian groups. The former was preparing for a general strike; the latter was crying for stable government. The leading people of several villages and towns which the writer visited this summer in Peloponessus and Continental Greece were hoping that Metaxas would establish a dictatorship. Any form of stable government was better for them than no form at all. So when Metaxas declared martial law the people were pleased and hoped that he would rule with an iron will. Political leaders of both sides welcomed the change, for Metaxas got them out of a very difficult situation.

"Don't forget," the General told the writer, "that Greece was at war from 1912 to 1922. This prolonged war on the one hand, and the unstable governments since the war on the other, brought about laxity in our educational standards, disregard for merits, the rise of a huge army of favor seekers, disrespect for law and order, and lack of discipline in the armed forces of the land. These conditions have to be corrected or the nation will be ruined. A way has to be found to make our Youth become conscious of its cultural heritage and of its duty towards the nations. It must acquire a sane social philosophy of life. It must give up its base ideas for high and noble ones. When everybody around us is arming for war we mustn't busy ourselves with party politics. Greece must come first and parties afterwards. That should be the aim of every statesman."

It is interesting to note that the Metaxas government has a very elaborate program of social reconstruction. The Cabinet is made up of specialists and progressive people, the majority of which are university professors. They are directing much of their attention to the rural people and are trying to retard the flow from rural districts into the capital. They are building national highways to facilitate communication and transportation. They are trying to reorganize education in a way that the children may learn that it is wrong to try to live off the government without rendering any worthwhile service. They are trying to make the school-going population become more social-minded, learn the art of cooperation, and realize the benefits derived from it.

In the words of Mr. Georgakopoulos, the Minister of Education, "We are trying to organize Greece in such a way that each Greek will work for the benefit of the nation as a whole. When people work together whole-heartedly for the good of the land, the benefits that each individual derives from it are far greater than if each was working for his own selfish end. Thus doing, we believe we shall find the proper place for every Greek, whereby he can serve both his ends and those of the land more advantageously."

Action, Not Words

The writer was told by King George II that "the most necessary things for Greece today are reconciliation and cooperation. These will come about only when every Greek will be willing to draw a veil over the past, put Greece's well-being above

party interests, and unite with all those who are unselfishly toiling for the nation's good. Every Greek should make it his paramount duty not only to preach but to bring into constant practice reconciliation and cooperation. We have talked enough for the well-being of Greece, now we must work for it."

The feelings of the Greek people have always been and still are warm towards England. Byron may have been forgotten by the British, but he lives in the hearts of all the Greeks. He is enshrined in their folk-songs. His portrait is in their school manuals. Poor boys in the various villages are wearing cheap pictures of Byron on their breasts like amulets. And if a crisis comes, Greece will again throw her lot with England. Former King Edward VIII paid a visit to King George II, an intimate friend, at Corfu this last summer.

The present form of government in Greece is, because of the existing party anomalies, the type most expedient for the well-being of the land. And it would be more appropriate to be labeled as "Benevolent Despotism" instead of dictatorship. It is the government desired by the people.

Since the government is centering its attention on reconciliation, economic recovery, social reform, and national security, it is safe to assume that its longevity depends on its steadfast observance of this program. for numerous were the times in Greece when the hero of one year was the ostracized outcast of the next.

German Arms for Greece

THE German general, Falckenhausen, who is the head of a fairly important Nazi financial group, recently bought up the casino and the whole of the region surrounding the coast town of Lutraki, near Corinth, with the intention, well-informed circles agree, of furnishing a convenient base for German submarines operating in the Mediterranean.

At the same time, another German, Colonel Habicht, who is known to have certain connections with the German General Staff, established himself as the "man behind the men behind the Greek War Ministry".

Although every effort has been made in Greece to keep his role and the extent of his influence a secret, it is known that Colonel Habicht has been given the responsibility of supervising the construction of fortifications all over Greece, and especially along the coast.

These fortifications are being built entirely with German material and are equipped with German artillery, paid for out of the 22,000,000 Reichsmarks set aside for the purchase of war material from Germany from Greece's 32,000,000 Reichsmarks of frozen credits in Germany.

Under Habicht's personal supervision, ferro-concrete fortifications are being erected at the entrance of the Gulf of Corinth, at Cape Araxos, in Lutraki, between the islands of Aegina and Salamis, for the protection of the Gulf of Piraeus and the arsenals in Eleusis, and on the coast of the Gulf of Salonika.

The Week, January 6, 1937

MISUNDERSTOOD MONEY

A guide to a complex monetary system. Who deals out the currency—and hou

BY JOSEPH E. GOODBAR

AT THE present time the United States has a gold stock of almost $11,000,000,000. In September, according to government figures, about $6,267,000,000 in currency was in circulation in the country as a whole. The difference between the value of our gold stock and the currency in circulation, is striking—and to many it is distinctly puzzling. Does it, perchance, conceal a Senegambian, hiding in the financial woodpile?

Then there is another side to this monetary mystery. Who and what is responsible for the fact that the amount of currency in circulation changes from month to month, and from year to year? For example, in September of 1936, the government figures are $6,267,000,000; in September of 1935, however, the total is given as $5,683,000,000. Do these figures indicate that improper financial power is pulling the strings for its own selfish interests?

Only a short time ago I heard a Madison Square orator telling, in impassioned tones, the small group that surrounded his soap-box, that Wall Street was the sinister octopus responsible for these changes—that Wall Street had grasped official Washington within its tentacles and was forcing those officials to do its unholy bidding. "We need more money," he shouted. "The Treasury is choked with gold. But Wall Street says 'No!' They do not want the poor to benefit from this money!"

Soap-box oratory, of course, usually consists of the application of muddy thinking to a concrete problem—and usually the problem concerns something that needs to be solved. But, when the issuance of currency is involved, a clear understanding of what goes on in determining the amount of currency in circulation would undoubtedly do much to promote wise and intelligent opinions and policies.

In some respects, determining the amount of currency involves principles analogous to a poker game. There are rules that must be observed, in both cases; and the rules that control the issuance of currency are established by Congress and applied and enforced mainly by the Federal Reserve System. In each case there is provision for dealing out the cards; in regard to the currency, the organization that does this is the banking system, represented by the ordinary bank deposit. In poker you are not entitled to any cards unless you have some chips in the game, and the public, in sitting in on the economic game, must also have something in the pot if he is to be dealt any currency. In poker, the player asks for such cards as he may want, but may have no more than the maximum amount fixed by the rules of the game. The public likewise is entitled to ask the banks for currency, although in no case for more than it has on deposit (or may secure through a loan); and the total that may be asked for by the public as a whole may not exceed the amount determined in advance by the rules of the game as established by Congress.

This demand of the entire public for currency, under the restrictions of the rules of the game, is the factor which determines the amount of circulating currency, or money, at a given time. In poker it often happens that a player might lawfully ask for four more cards, but it seldom happens that all the players demand all the cards the rules would allow. Likewise not many members

of the public wish to draw, and keep with them, all the coin or paper currency the rules would allow them to have.

In dealing out the currency, then, Congress makes the rules, the Reserve System mainly applies them, the banks do the dealing, and the aggregate demands of the public for currency determine how much shall be dealt out.

"But," you may object, "this thing is much more complicated than that! Why, I saw only the other day where we have *ten different kinds* of currency—*seven* of paper currency, gold certificates, silver certificates, treasury notes, United States notes, Federal Reserve notes, Federal Reserve bank notes, national bank notes; and *three* of metallic money, silver dollars, subsidiary silver, and minor coins. Who can understand a system like that?"

I will concede that we have a needless variety in our currency. It results from the historical development of the nation's monetary policies—just as the appendix, and some other organs of the human body, are believed to be relics of the earlier history of mankind, doubtless important at one time but today merely useless reminders of changed methods of living. Doubtless an operation performed on some of these antiquated relics of outworn banking and monetary practices will come in due time, and the results, if wisely performed, would be highly beneficial. But, in seeking to understand who deals out our currency, and how and why, these numerous types of currency may be dismissed from your mind. The total in circulation is what interests us at the moment, and the size of that total is not materially affected, if at all, by the variety of types that compose it.

Rules that Fix the Limits

All of the eleven billions of gold held in this country, and reported as "gold stock", is under the direct or indirect control of the Government. Some of it is set aside as the private property of the Government, while the remainder is, in a sense, held by the Government in behalf of the banking and monetary system. Under the law that applies to our monetary and banking system, a definite amount of gold "backing" is required for each million dollars of Federal Reserve notes (which are the most important type of currency), and a definite percentage of the "reserves", which each bank must keep with a reserve bank, must also be "backed" by "gold or lawful money." To find out the theoretical limits fixed by the rules, let us, for a moment, see what those rules are and how they would be applied to the total available gold stock.

About three billions of this gold stock belongs to the Government. This sum represents the increased value of the gold stock, which came to the Government through the decreased weight of the gold dollar, effected in 1934. Being the property of the Government, it is apparently not presently available as gold "backing" for either bank reserves or currency.

Bank reserves take up a part of the remaining eight billions of gold stock available for "backing." Every bank which belongs to the Federal Reserve System is obliged by law to keep a "reserve" at its reserve bank, and this amount must be equal to a certain percentage of the member bank's own deposits, although the percentage required is not the same for deposits subject to check as for those subject to withdrawal after an interval of time. Regarding the "demand deposits", the percentage of reserve varies, depending on the location of the bank. For example, on each $100,000 of demand deposits, the banker in a smaller community must have $7,000 in reserves; the bank in a large city must have $10,000; and the bank located in New York or Chicago must have $13,000 in reserves. Of this reserve, the law says that 35% must consist of "gold or lawful money." The remaining part may consist of instruments of credit of kinds prescribed by the law.

How much of the gold stock is now required to support the reserves of member banks? For September, the entire required amount of "reserves" was $4,493,000,000. Of this amount, some 35% is required to be in "gold or lawful currency", at the reserve

banks. If the entire 35% were gold, then about $1,573,000,000 in gold would be absorbed, or taken up, as required "backing" for the reserves that support bank deposits of all kinds.

After deducting the privately owned gold of the Government--privately owned, in the sense that it is not being held subject to certificates of deposit or other obligations running from the Government to individuals or corporations—and also the gold required for the bank reserves, we find something in excess of six billions available for other purposes.

A considerable part of this remaining six billions in gold is required to support the currency now in circulation. The law says that all Federal Reserve notes, which constitute the major part of our currency, must have a "backing" of not less than 40% in gold. Without trying to figure the amount too accurately, but treating the aggregate total of all kinds of currency as though each kind had to have the same percentage of gold backing as the Federal Reserve notes, it is evident that the six billions plus of currency would require gold "backing" to the amount of about $2,400,000,000.

If the remaining three billions, six hundred millions, plus, of free gold, not required for any of the above three purposes, were utilizable entirely for the support of additional currency, it would provide "backing" for about nine billions of dollars in addition to what we now have. So far as the law itself is concerned, this tremendous additional currency total could be dealt out by the banks, provided that lawful demands were made on them by the public for that much extra money.

According to the experience of our monetary system, however, it would not be possible to induce the public to take so much extra money, aside from panic conditions, unless there were, at the same time, a proportionately large increase also in the volume of bank deposits. While no precise mathematical connection between the volume of currency and the total volume of bank deposits can be shown, it nevertheless appears that there is a rough degree of harmony in the movements of currency and deposit totals. In general, for each increase of eighty millions in deposits there is a corresponding increase of ten millions in currency.

In order to utilize this $3,600,000,000 of "free" gold, then, to its fullest extent, in supporting deposits and currency increases, a portion of it would be needed for reserves against additional deposits, and another portion as "backing" for additional currency. About 40% would be necessary for the reserves, while the other 60% of the gold would be needed for the currency. If completely utilized, the effect of using all the "free" gold to its fullest capacity would be virtually to double the amount of our bank deposits and also to double the amount of money in circulation.

Put in another way, the banks might, if lawful demands were made on them by the public, readily deal out some six billions of additional circulating money. But experience shows that such demands are not likely to be made unless there is an increase of deposits of about eight dollars for each extra dollar of currency desired by the public.

Limits Set by Public Demand

From what has just been said, it is quite evident that the rules laid down by law are not responsible for the fact that deposits and currency are only about half what the available gold stock would legally support, if utilized to the full. It is equally clear that the banks are not at fault, if it be a fault, in holding down the amount of circulating money. The owners of some fifty-one billions in bank deposits have the legal right to demand currency instead of their deposits, if they wish. And while there is no machinery for supplying that amount of currency, it is equally true that nothing but the threatened insolvency of the banks would ever induce the depositors to demand so much. In fact, no national bank has failed within the past year, and none has refused a demand for currency by any depositor. The demands of depositors are being met promptly and fully. The banks

themselves, therefore, are not restricting the issuance of currency.

The only remaining possible reason for not issuing more currency is the lack of desire of the public to carry more currency around in its collective pockets. Of course many persons have small incomes, and would like to receive more, to carry more, to spend more. But the only demands that have any effect on the amount of currency in circulation are those which come within the rules of the game. One of the rules of poker is, that you get no cards if you have no chips. In the currency game, one gets no more currency than the amount to which he can establish an enforceable claim. Behind each effective demand must be an enforceable claim on a bank, or on some other person who himself has a valid claim on the banks.

The fear of loss or theft, when currency is kept about one's person or premises in amounts larger than needed for current purposes, is one of the important influences which helps keep down the total of money in circulation. This fear tends to prevent your keeping on hand much more than is necessary to pay your way during the intervals between receipt of income. If that interval is a long one, you are apt to feel distinctly uneasy at carrying around all the money you will need to keep yourself going until pay day comes around again.

The natural and usual thing to do, in situations such as described above, is to put the money on deposit in a bank, either as a savings deposit or as a demand deposit. The effect of depositing it is practically to take the money out of actual circulation.

Strictly speaking, cash in the vaults of a bank is not in circulation so much as it is in storage, ready to circulate when some one wants it. The Government, however, for reasons doubtless based chiefly on a desire for convenient recording and accounting, classifies currency as in circulation as soon as it leaves the reserve banks, and thus the government figures include not only the currency which is in the hands of the public, but that also which is stored in the vaults of the banks.

Properly speaking, vault cash is money ready for circulation, but not yet in circulation. On June 30, 1936, the banks held over $700,000,000 of cash in their vaults, awaiting demand from depositors. The amount of currency actually in circulation, then, at this time, was about $700,000,000 less than the figures issued by the Federal Reserve system and quoted in the first paragraphs of this article. Making this adjustment, we find that some five and a half billions was the actual amount of currency which the American public chose, at that time, to keep in its private possession for carrying on its daily business affairs.

Why Currency Demand Fluctuates

One of the facts about currency that puzzles many people is the manner in which the amount in circulation changes from year to year, and from month to month. Of course it is easy to understand why there was a very heavy demand at such a time as February 1933, when everyone was afraid the whole banking system might collapse. But that was an abnormal situation. Leaving fear to one side, what are the influences which cause these changes in the amount of circulating money?

As we have already seen, there is some close connection between the size of total bank deposits and the volume of currency desired. About one dollar of additional currency is demanded for each eight dollars of additional deposits. One of the important influences, then, that affects the volume of currency, is the movement up and down in total bank deposits.

But even if we should arrive at a long enduring period of stable prosperity, of economic balance, in which the level of deposits remained substantially even, there are other causes which would produce some movement up and down. More currency is wanted, for example, during the summer time, to finance vacation trips away from home. In June 1936, the total was three hundred millions greater than in May.

During the fall we have the harvest season, when farmers must often be paid in cash for what they have produced. This

period begins at about the close of the vacation months and serves to maintain the total of currency at about the summer level. Then, immediately following the agricultural harvest, comes the Harvest Moon of the retail stores—the great buying season immediately before Christmas. The extra cash required at this time lifts the totals, usually, somewhat above the level of the fall.

Influencing the Volume

Ordinarily there is a let-down in January and February. Consumers are well supplied with the things they need and buy sparingly, seeking to recoup their depleted cash supply and to pay their bills. Manufacturers and dealers are getting slowly under way for the spring. Sometimes, however, when general business activity is increasing, as in early 1936, the reduction is scarcely enough to be noted—but this is contrary to normal. The influences of productive activity, of the vacation season, of the harvests, and of the Christmas holiday, are sufficient to bring about a material change, during different parts of the year, in the volume of currency needed for public use.

Dealing out the currency, then, is not really so complicated as it may have seemed. The rules of the game are laid down by law. Everyone, who at any time becomes entitled to possess and use money, is a player in the game. If he has chips, he may demand currency to the full value of those chips or up to the total limits laid down by Congress. In fact, public demand for currency does not even approach the latter limit, at present. The chips owned by the public are worth on the average about eight times as much as those which the public wants in currency.

Convenience requires the use of cash for small purchases, for certain types of business, and often for the traveler when away from home. Convenience likewise demands the use of bank deposits and of payment by check for greater safety, for larger business transactions, for transmitting funds. The balance of these two conveniences is what determines the amount of cash that is dealt out to the public.

News of the World, London

ANOTHER MONEY PUZZLE

FIRST LISTENER-IN (to Second Ditto): "Well—if they aren't talking about us two!"

The CULTURAL BAROMETER

By V. F. Calverton

BEHIND the gay, enchanting mask of culture hides the stern, wrinkled face of history. Culture, in its artistic forms, is history in evening dress, powdered, rouged, brow plucked, hair-coiffed, diamond-ringed, ermine-sheathed, gliding on "light fantastic toe", eager "to go places and do things." But the places it goes and the things it does, in its aesthetic peregrinations, depend in part upon the body behind the make-up and the glitter.

Very often, however, like symptoms which precede a disease, or omens which presage a new event, culture foretells by spirit and gesture what will happen to history in the future.

It is with culture in that double capacity, as a reflector and a barometer of history in process, that this section of the magazine will be concerned.

Nationalism and American Culture

The development of American culture in the twentieth century, and in particular in the last two decades, is historically important because it marks off the period when our poets, novelists, critics, painters, and musicians finally overthrew the English heritage and gave to their work the arresting and unmistakable stamp of Americanness. When we remember that American culture in the eighteenth and nineteenth centuries was mainly derivative from the English tradition, we can realize how significant that change was. All through the nineteenth century, for example, in American magazines and books, it was customary to speak of American authors in terms of their English prototypes. A novelist would often be called an American Dickens or an American Trollope, a poet, an American Mrs. Hemans or an American Swinburne. A more interesting illustration of the influence of the English tradition is to be found in those works of American authors which dealt entirely with the American milieu and yet reflected nothing but English attitudes and interpretations. Cooper's Natty Bumpo and Longfellow's Hiawatha and Minnehaha, for instance, are all Anglicized Indians. The same tendency to Anglicize everything prevailed on the stage as well as in poetry and fiction. Indeed, it can be said without exaggeration that with but few exceptions American literature, before the twentieth century, never went beyond—nor even very much desired to go beyond—its English origins.

The only vital aspect of American culture in the nineteenth century that did not follow the English example was that which sprang out of the inspiration of the frontier and found its literary embodiment in the works of Walt Whitman and Mark Twain. Nationalistic consciousness arose out of the philosophy of individualism and its application to cultural life. Individualism in the East was far more of a class philosophy than a mass philosophy. The frontier changed individualism from a class doctrine into a mass phenomenon.

Before the Spanish-American war, however, Whitman and Twain were not viewed as native geniuses, but as isolated eccentrics. The victory over Spain in 1898 changed the outlook of the nation. With the acquisition of foreign colonies and an im-

MARK TWAIN: The nineteenth century's most vital contribution to American literature.

perialist psychology which went with that acquisition, the United States, for the first time, became a major power ranking with the leading European nations in influence—an important development, indeed, when we remember that in the nineteenth century the United States had been rated by the leading European nations as a second-rate power. The impact of the change was almost immediate.

Once the American nation became a force in itself, equal to European nations and respected as such, it did not have to turn to England for its cultural identity. From that time on, American culture became more and more American. By the 'teens, we had developed in literature alone, in the works of Carl Sandburg, Vachel Lindsay, Edgar Lee Masters, Robert Frost, Robinson Jeffers, Sinclair Lewis, Theodore Dreiser, Sherwood Anderson, and Eugene O'Neill, a genuinely American spirit as well as outlook, which contrasted sharply with the lack of Americanness in the poetry of Bryant, Longfellow, Halleck, and Poe.

From that time on, American culture, alive with new energy, released from an old repression, confident of its own talent, and seeking no other approval than its own, has been able to carve out its new destiny.

Energy Production a Factor

Undoubtedly, an underlying factor which had a lot to do with the emancipation of American culture from British influence was the difference in energy production of the two countries. In 1870, as Dr. C. K. Leith has shown in his book, *World Minerals and World Politics*, Great Britain was releasing three times as much energy as the United States. At the end of the century their production level became approximately equal. Before the century had advanced very far, however, the ratio had been reversed. At the present time, the United States produces three times as much as Great Britain.

Post-War New York

All this vast nationalistic coming-of-age, all this sudden insurgency of sentiment and invigorating independence of outlook, reached a final climax of conviction in the World War, which established us as the great creditor nation of the world, more powerful even than England in international influence. One of the best illustrations of the effect of this shift in power, resulting in such an important mutation in the American temper, is to be found in the change of status of New York as a city. It was only after the War that New York really became a world city. As Mr. Spingarn observed some time ago, when he left America to fight in Europe, New York was just a big city; on his return, however, a year and a half later, it was transformed into a cosmopolitan center, equal, as a great capital, to such European cities as London, Paris, and Berlin. The experience of many other minds has been very similar. This change of New York from a big city into a world city had its immediate effect upon our whole culture consciousness. Not only did all the great European artists flock to the American metropolis—many of them even taking up permanent residence here—but Ameri-

can artists themselves became conscious of a new power. All this, however, was but a climax to the spirit of national confidence which had grown up in America after the Spanish-American War.

Periodicals Become Nationalist

One of the most important forces in the expression of this new and genuine national consciousness was—and is still—to be discovered in the change in the nature of our periodical literature. Beginning with such little magazines as Harriet Monroe's *Poetry* and Margaret Anderson's *Little Review*, the conservatism of the older magazines, which were bound by the most obvious allegiance to the English tradition, was steadily undermined until in the decade of the twenties we even see such old periodicals as *Scribner's*, *Harpers*, and *The North American Review* changing their intellectual front. Even the weeklies revealed this change with amazing swiftness. *The New Republic* from the very beginning manifested an early expression of it, while *The Nation* had to change hands before it could become an embodiment of the same force. Thus it was that the task which *The North American Review* set out for itself early in the nineteenth century, namely, that of cultivating a truly national literature, did not find a realization finally in our periodical literature until almost a century later.

Music's New Outlook

It is an interesting and significant fact that music in America has begun to follow a path parallel to that of literature. American music is at last beginning to break from the European heritage and, in the work of George Gershwin, Roy Harris, Aaron Copeland, and others, orient itself in terms of its own culture. Daniel Gregory Mason recently declared:

> America is drawing toward the end of her long, necessary period of musical childhood and timid dependence on Europe, [and] she is even now in the somewhat awkward self-conscious stage of adolescence . . . and before long will be musically adult. . . . What we still need [however] is for American culture to get, so to speak, into our blood, to become a part of us, so that we can become musically natural, easy, free from the sense of inferiority—in short, no longer merely assimilative, but at length creative.

GEORGE GERSHWIN: A leader in the emancipation of American music from its European heritage.

The Shift in Painting

In painting the same nationalistic current has arisen. Mr. Thomas Craven, one of our best known art critics, has declared:

> [American painters] must enter emotionally into the strong native tendencies of their own land and kind [and] have done with European traditions and alien cultured fetishes.

In the past, Mr. Craven contends the American artist has been:

> taught by the snobs who dominate the art schools that Europe offers the standards of values . . . [and has been] afflicted with submerged feelings of inferiority which explains his snobbish adoration of European manners.

From that point, Mr. Craven goes on to show that only when:

> American life develops in painters interests stronger than the interests aroused by canonized art, [can] we . . . hope for a native American school.

In Thomas Benton and Grant Wood, Mr. Craven is convinced we find the most exciting and promising beginnings of such an indigenous school.

Other Fields

This interest in things American, which I have dealt with in terms of American literature, painting, and music, extends into every cultural domain. In the field of antiques, for instance, it has become the "rage." Antique dealers throughout the country record the great demand for old American things: American furniture, American ornaments, American prints and designs. In many cases, old American paintings, for instance, are as much in demand as the paintings of the European masters. Old American sculpture is being sought and purchased with an equally avid interest. In fact, almost anything which carries the stamp of Americanhood about it is in constant and pressing demand.

In the nineteenth century, interest in American things was slight and inconsequential, but since the twentieth century, with the changes in American psychology which have resulted from the new prestige of the nation, that interest has become almost a mania.

Although this interest began in the first decade of this century, it did not become the vogue until after the World War. As early as 1907, *The Nation* magazine attacked Fannie Bloomfield Zeisler, one of the most distinguished pianists of her day, because she played a serenade of Rachmaninoff instead of one of the pieces of Edward McDowell, declaring that McDowell "has written much better pieces than that Serenade" and added that McDowell "has written better piano music than any Russian living, or any dead Russian for that matter, except Rubinstein."

In painting *The Nation* of that day was equally nationalistic in its enthusiasms, and asserted that:

> Beautiful painting is hardly any longer attempted save in America. It is not merely that the finest things here from the great Sargent to the great Thayer, hanging opposite each other, to small pictures in unregarded corners are by Americans; it is that a love for the art itself, for beauty of workmanship, beauty of color or beauty of tone or line or arrangement seems almost wholly extinct in the European schools . . . But every canvas that reaches real distinction, every picture that gives one pleasure in the highest degree from its perception of some form of beauty in nature of its intrinsic quality of a work of art, will be found to bear an American name.

After the World War, however, such esthetic chauvinism became the order of the day.

Very soon, it was no longer necessary for the magazines to resort to such childishly blatant expressions of national pride. All the young critics had taken our new, national independence for granted, and Van Wyck Brooks, Lewis Mumford, and Waldo Frank, then in the frontline of the newer spirit developing in the country, had declared their final independence from the British pattern. Waldo Frank, for example, declared that "we are in revolt against the academies and institutions which would whittle America down to a few stale realities current fifty years ago when our land in all but the political surface of its life was yet a colony of Britain." At last, the United States was freeing itself, culturally, from a colonial complex, from a sense of spiritual inferiority, which had throttled us for centuries. Over a century before, Philip Freneau, the famous revolutionary poet, had insisted that "a political and a literary independence . . . [are] two very different things; the first was accomplished in about seven years, the latter will not be completely effected, perhaps in as many centuries." The Spanish-American War and the World War accelerated the process to such an extent that, within little more than a century, that cultural emancipation was achieved—and today, in every art, the indigenous in America dominates over the derivative.

Nationalism Among the Nazis

American nationalism, as I have described, grew out of a century-old struggle on the part of the American people to ef-

fect a manumission from British tyranny in the cultural realm. The struggle, in that sense, was a natural and necessary one. European cultures have never suffered from such a colonial complex; only their colonies have, viz., Canada, South Africa, Australia. In each of those colonies a similar struggle for cultural independence has taken place, although to date nothing resembling true independence has been achieved. In Norway, however, dominated as its culture was by that of Denmark, a parallel conflict occurred.

In France, Germany, Italy, and England, mother countries in themselves, such a development never took place. Their cultures, influenced though they were by the cultures of other countries, invariably achieved an independence which grew rather than diminished with their economic advance.

In the past, each European mother country has had a culture of its own, which has sprung out of the indigenous elements of its environment, out of the impacts and compulsions of its national tradition. Today, however, in several countries, that spontaneity of development has been checked, thwarted.

Ever since the Renaissance, European civilization has been dominated by an individualistic psychology and tradition. Within the framework of that civilization, despite its numerous limitations and handicaps, it has been possible for individual writers, thinkers, lecturers, publicists, preachers, and what not, to express their ideas and beliefs with a relative degree of freedom. In contrast with the Middle Ages, tolerance rather than tyranny in the cultural realm became the dominant tendency. True, there were times when that tolerance was threatened, and also times when it was squelched. But such times were exceptional rather than common.

Today, however, with the new crisis which has overtaken European civilization, symbolized most notably in fascism, which represents the triumph of the totalitarian state over the democratic, that tolerance has been replaced by tyranny.

THOMAS MANN: His works have been banned, as Naziism crushes German culture.

The national interest in American culture which has sprung up in this country has been spontaneous and not coercive. In Germany, on the other hand, to cite an example, the nationalism of sentiment which has developed since the triumph of Hitler is coercive rather than spontaneous.

After the World War, Germany, which was defeated in the field of battle, triumphed in the field of culture. Many of the best writers of the post-War world were German as also were many of the best painters and musicians. Thomas Mann, Jacob Wassermann, Heinrich Mann, Leon Feuchtwanger, Ernest Glaser, Remarque, Ernst Toller, represented a galaxy of writers which no other nation of the time could equal, and if we should include within the same tradition the Austrian writers, and add Franz Werfel, Karl Capek, and Molnar to the group, there can be no question but that the best literature of the post-War period was being produced within the confines of the defeated powers.

Since Germany became a totalitarian state, however, and the Hitler Government instituted a régime of coercion in the cul-

tural field as well as the political, that triumph has been obliterated. Practically all the great writers which Germany produced after the War have been driven into exile and forced to derive their inspiration from foreign sources. The "book-burning" craze which overtook Germany some years ago and which has just recently been renewed, has resulted in the deterioration of German literature from a creative point of view. No writers of any consequence have come out of Germany within the last four or five years.

Illustrative of the cause for that deterioration in German literature of today is the tyrannic attitude taken toward the whole matter of art creation by the Nazi Government. In the following quotation from Berndt, Minister of State, that attitude is made pathetically explicit:

> For the judgment of a work of art in a National Socialist state, only the idea of culture held by the National Socialist state can be promulgated. Only the Party and the State are in a position to decide what is worthwhile from the point of view of the National Socialist conception of art.

Thomas Mann's Works Banned

In keeping with that decree just last month the works of Thomas Mann, the greatest living German writer and the greatest living writer in the world today, were banned from publication in Germany. More than that, Thomas Mann's citizenship was revoked at the same time.

Along with Mann, Ganghofer, a Bavarian novelist, has just lost his German citizenship. For four decades people have enjoyed his Alpine stories of the adventures of German youth, but now that it has been discovered that this author of the most exciting Jack Londonish stories in German literature is Jewish in origin—or rather, what is equally terrible in contemporary Germany, his wife is Jewish—his books no longer can be sold in Germany. Ironically enough, a monument to him stands not far from Hitler's summer retreat, and the question now is: who will destroy it?

Great fear is now felt for Ludwig Thoma, another distinguished German writer, who is mentioned frequently in Ganghofer's diaries. Besides, Thoma has been married to a celebrated Negro actress, which, in the light of the Aryan bias of the Hitler régime, may be just as bad as marrying a Jewess.

Another illustration of the absurd extremity to which this totalitarian psychology, with its various prejudices, has driven German censorship is to be seen in the recent announcement of a Munich concert. It was announced over the radio that Gounod's Ballet Music from the *Queen of Sheba* was to be played that evening. Every radio director knows that the composer of the *Queen of Sheba* opera is not Gounod but Goldmark. At all events, the director who plans the program knows it, for he is a trained musician.

But Goldmark is a Hungarian Jew and his name could not be mentioned over the German radio.

Nationalism: Inspiration or Menace

Such are but a few of the penalties which result when culture is seized lock, stock, and barrel by a totalitarian state. What these facts illustrate and illuminate are the dangers which are inherent in a society which is dominated by dictatorship and when nationalism becomes not a challenge but a mania.

Which should prove all the more a warning to America not to let nationalism develop into such fantastic and hysterical extremes, where reason runs reasonless, and creativity becomes crippled by the very force which should inspire it. There is nothing evil in national feeling which reveals love of place, of language, of sentiment intrinsic to its cultural origins; it is only when nationalism becomes jingoistic, predatory, and destructive to those cultural values for which modern civilization has fought, that it becomes a menace.

The Realm of Science

A NEW understanding of the behavior of nerve cells, the structure of the central nervous system, and the relationship of the brain to consciousness is emerging from recent experiments with the encephalograph, more popularly known as the "brain-wave" machine.

Concepts which have held sway for two centuries are being shelved, and mysteries which have baffled physiologists for as long give evidence of nearing a solution.

As Prof. R. W. Gerard of the University of Chicago, one of the leading students in the field says, the brain-wave machine promises to bring an expansion of knowledge in the field of neurology comparable to the expansion which the microscope made possible in the study of anatomy.

More than a century ago, it was realized that the messages which traveled along nerves were electrical in nature. But a nerve is a thick bundle of several thousand nerve fibers, just as a telephone cable may contain as many individual wires.

It was only a decade ago that medical men were able to follow the impulses in a single nerve fiber. This was made possible by the development of radio amplifiers. With their aid, it was possible to magnify the feeble currents in a single fiber to the point where they were strong enough to be recorded.

Pioneers in this field were the British savants, Adrian and Sherrington. Adrian studied the impulses which traveled up the fibers of sensory nerves, nerves running from sense organs to the brain. He showed that each nerve impulse or message was an electro-chemical impulse whose behavior might be roughly compared to a burning train of gunpowder. He showed further that, when the stimulus was increased, the character of the impulse did not change. Instead, more of them were sent. Sherrington showed the same thing to be true of motor nerves, the nerves whose fibers run to the muscles. Strong muscular reactions mean that more impulses are being sent over each fiber and that more fibers are being called into play. The individual impulse does not change.

But most important has been the discovery that the nerve cell or neurone under normal conditions is continuously generating and discharging nerve impulses spontaneously. Apparently it is the nature of a neurone to build up an electric charge and then dissipate it, just as an electric condenser stores an electric charge up to a certain strength and then discharges it.

This means that each nerve cell possesses the ability to beat just as does the heart. For the rhythmic contractions of the heart are in response to the generation of the same sort of electro-chemical impulses. The beat of the heart originates in a tiny bit of tissue, less than a third of an inch long and a thirtieth of an inch wide in the right upper back portion of the heart. Known technically as the sinus node, medical men have nick-named it the "pace maker", for each contraction of the heart is in response to an electro-chemical impulse which begins in the sinus node and spreads through the heart.

The action of the pace maker gives rise to electric currents or waves which spread throughout the torso, and it is these which the physician measures when he attaches the electrodes of the electrocardiograph to the arms and legs of a patient.

It is now apparent that the brain waves which the encephalograph records are similar electric currents arising from the beating of nerve cells in the brain. For the encephalograph consists merely of two metal electrodes which are placed in contact with the brain or skull. These are connected to a radio amplifier which magnifies the tiny currents picked up by the electrodes until they are strong enough to be registered by a suitable mechanism as wavy lines on a moving strip of paper. These currents can also be made to operate a loud speaker. Perhaps you heard the brain waves broadcast by scientists of the University

of Chicago in a radio program a few weeks ago.

Recent studies have shown that, within the organization of the central nervous system, the beating of some neurones is suppressed, while those of others are co-ordinated and synchronized.

It may be said, therefore, that the beating of the human heart is paralleled by the beating of numerous centers in the brain. It is possible to record the "pulse" of these various centers in the brains of different animals. Thus, for example, the pulse in the optic region of a cat's brain is two to four a second, in a rabbit's brain, three to five a second, and in the human brain, ten a second.

It has been common to regard the central nervous system as a sort of telephone exchange which took in messages from the outside in the form of various stimuli and transmitted them as orders to muscles and organs. It is apparent now that this view must be enlarged.

Dr. Gerard points out that it is no longer possible to maintain the old picture of a nervous system with a set structural pattern waiting peacefully for nerve impulses to travel through it, like a switch yard set for freight trains. Instead we must have a view of the central nervous system as a dynamic structure, capable of releasing energy spontaneously. This new view is certain to be more satisfactory to the psychologist, since it will serve to explain many things which he knew must be so, but which the physiologist could not explain.

The new view, for example, offers a satisfactory means of explaining the unitary stream of consciousness.

Exploring the Brain

A second result of major importance in the study of brain waves is the successful tracking of nerve impulses or messages through the complicated structure of the brain itself. It is now possible to explore the interior of the brain by means of the encephalograph.

Previously, neurologist were concerned with impulses entering the brain and impulses leaving the brain, but, as Dr. Gerard says, for all practical purposes the results would have been the same if the brain had been a sponge instead of the complex structure which it is.

In the cat's brain, for example, the complete path of an impulse starting when a light is flashed in the animal's eye has been traced through the optic nerve, optic tract, midbrain, thalamus, and cerebral cortex. In similar fashion the auditory pathway has been traced.

A few years ago, it was found that when the auditory nerve of a cat was connected to a radio amplifier and loud-speaker, a tune sung into the cat's ear was reproduced by the loud-speaker. Recently a tune was reproduced in this fashion when electrodes were placed in the cat's brain, demonstrating clearly that the path of the impulses from the auditory nerve had been successfully traced through the brain.

It is, of course, a fact that there had previously been knowledge of the localization of functions in the cerebral hemispheres of the brain. Thus it had been known that the injury due to a brain tumor or to a shell in the World War would cause blindness if localized in one particular spot in the brain, deafness in another, paralysis of the arm in another, and so on. But nothing was known comparable to what the new method of research promises to reveal.

Controlling the Glands

The new knowledge of the central nervous system becomes doubly important when viewed in conjunction with recent advances in understanding of the ductless glands.

Chief among these glands is the pituitary. This tiny gland, no larger than the kernel of a hazelnut, has been called the master gland of the body. Despite its tiny size, it secretes at least twelve hormones, controlling growth, sexual development, the thyroid gland, the adrenals, and the pancreas.

The pituitary, however, grows down from the undersurface of the brain upon a little stalk about half an inch long. It is now suspected that the brain controls the pituitary through this stalk.

The portion of the brain from which the stalk of the pituitary grows down is known as the hypothalamus. It is about half an inch long and a quarter of an inch wide. But like the pituitary it is the center of much activity.

Foremost in the investigation of the hypothalamus and of the hypothalamus-pituitary relationship is Dr. S. W. Ranson, director of the Neurological Institute of Northwestern University.

It is known that the hypothalamus is the seat of the control of the physical expression of the emotions. Stimulation of the hypothalamus in a cat arouses all the physical expressions of rage or fright. It is also known that

the hypothalamus controls the body's ability to adjust itself to heat or cold.

Dr. Ranson has shown that certain functions are sharply localized within the hypothalamus. He has also shown that injury to a certain portion of the hypothalamus results in atrophy of the posterior lobe of the pituitary and brings on the disease known as diabetes insipidus, a disease characterized by incessant thirst.

He is of the opinion that the brain may exercise a dual control over the body, one through the central nervous system, the other through the ductless glands by way of the hypothalamus-pituitary connection.

Insulin and Insanity

Insulin, known throughout the world as a treatment for diabetes, may prove to be a cure for insanity. It is still too early to say definitely.

Insulin is being used to treat the psychosis (a term preferred to that of "insanity") known as schizophrenia or dementia praecox. This is characterized by disorganization of the personality accompanied by severe delusions and hallucinations.

The new treatment is known as Sakel's hypoglycemic therapy after its inventor, Dr. Manfred Sakel of Vienna. A recent visitor in New York, Dr. Sakel was one of the speakers before a joint meeting of the New York Neurological Society and the New York Academy of Medicine.

In the administration of insulin to diabetics, care must be taken not to give too much insulin. This depletes the sugar in the blood to such an extent that a severe reaction, sometimes resulting in coma, follows. It is known as hypoglycemia or insulin shock.

Dr. Sakel's method consists in deliberately giving the patient enough insulin to cause insulin shock. The patient comes out of the shock with his mental condition vastly improved. Why, nobody yet knows. Contrary to what might be expected, his physical condition is also improved.

Similar results with the new therapy were reported at the New York meeting by Dr. Bernard Glueck, medical director of Stony Lodge, Ossining, N. Y., Dr. Joseph Wortis of the Psychopathic Division of Bellevue Hospital, New York, and Drs. John R. Ross and W. B. Cline, Jr., of the Harlem Valley State Hospital, Wingdale, N. Y.

Vitamin A Is Isolated

The preparation of pale yellow crystals from fish-liver oil which in all probability are pure Vitamin A has been accomplished by Dr. Harry N. Holmes, professor of chemistry at Oberlin College, and his research assistant, Miss Ruth E. Corbet. This is the first time that a concentration of Vitamin A in crystalline form has been obtained.

There is a possibility that Dr. Holmes may have a mixture of two crystals, Vitamin A and something else, but the evidence seems to indicate that he has the pure vitamin. Confirmatory tests are now in progress at Pennsylvania State College with Dr. Holmes' cooperation.

The Drouth of 1975

A severe drouth from 1975 to 1985 and a milder drouth from 1950 to 1960 are predicted for the American "Dust Bowl" by Dr. C. G. Abbot, secretary of the Smithsonian Institution. Dr. Abbot is convinced from studies that weather repeats itself in a 23-year cycle.

Going over the records of the region he finds that the first decades of each of the five 23-year periods since 1837 showed a marked decrease in rainfall, but that this decrease was most severe in the first, third, and fifth cycles. It is on this basis that he makes his predictions.

Medals Are Awarded

The Willard Gibbs medal for 1937 has been awarded to Dr. Herbert Newby McCoy of Chicago, one of the great pioneers in the study of radium. This medal is awarded annually by the Chicago Section of the American Chemical Society.

The Phillip A. Conne Gold Medal has been awarded by the Chemists' Club of New York to Dr. Donald Dexter Van Slyke, chief chemist of the Hospital of the Rockefeller Institute for Medical Research, for his studies of the mechanism by which the body maintains its acid-alkali balance or neutrality.

DAVID DIETZ

Highlights of the Law

A CERTAIN current restlessness and dissatisfaction with our methods and institutions for the administration of justice may, perhaps, be ascribed to our social growing pains, or diagnosed as symptoms of the sudden arrival of new visions of commercial and industrial economy. Moreover, notwithstanding the fact that we have in the country today some 59 "courts of last resort", it is the Supreme Court of the United States which, by reason of its preeminence (and perhaps also its unruffled imperturbability, which alone is sometimes enough to excite a kind of futile exasperation), must carry the brunt of the intermittent conflagrations that flare in times of emotional intensity. What distinguishes our Supreme Court, however, from the high courts of other nations is the fact that, originally instituted as a conscious and unprecedented experiment by the founders of the nation, who seem to have had time and inclination to examine philosophical essays and the lessons of history, it has held its own through a century and a half of turbulent life, indeed, it has increased its stature until it is beginning to assume the venerable permanence of the gnarled and unwedgeable oak. This is not to say that it has reached the stage of unalterable perfection. Like any other growing oak, it is a living thing, and the future twists of its boughs will respond to the influences of the day. Even its most vocal defenders treat the five-four decision problem with reserve; and no one has offered a suggestion to relieve the Court of the astounding volume of business it must execute.

Merely to see the list of orders, decisions, opinions, and other business ground out by the Court every Monday afternoon is enough to banish the picture of nine old men loafing and lurking and lying in wait for any people who may be passing that way carrying banners with a strange device. A real need at this time is some means for diverting part of the mass of inconsequential detail clamoring for its attention, in order to provide more time for the consideration of fundamental and novel problems. Unfortunately, Senator McKellar's bill, which has many considerations in its favor, would probably add to the present burden. This bill seeks to avoid paralyzation of business growing out of new legislation by depriving the inferior courts of the power to issue injunctions to prevent the operation of such legislation until the Supreme Court shall have passed upon the constitutionality of the law. It would introduce a technique designed to expedite judicial review of questions of constitutionality. While this might save the people a tremendous waste of energy and great financial loss, it would make the need for relief still greater. The two problems go hand in hand.

Several variations of this bill are among the numerous proposals so far made at this session of Congress. Other bills seek to deprive even the Supreme Court of the power to declare laws unconstitutional, especially "whenever said statute or Act is based upon a finding of fact made by the Congress of the United States declaring that such statute or Act is a necessary and proper exercise of a power specifically granted to the Congress by the Constitution of the United States", as one bill puts it.

It is urged by supporters of this type of measure that we should take as our example the British system, which regards Parliament as supreme and denies to the Supreme Court of Judicature and other courts the right to tamper with its acts. The analogy is scarcely apt, however, because we have in this country a written constitution which cannot be changed by act of Congress, whereas in England the acts of Parliament *are* the constitution. A nearer approach would be a comparison with one of the new democracies on both sides of the Atlantic created in the wake of our Declaration of Independence. Thus Argentina, whose constitution was modeled largely on our own, gives expressly to its "Supreme Court and the inferior Tribunals" jurisdiction over questions arising out of the constitution and the national laws, with the

curious exceptions of civil, commercial, penal, and mining codes (regarded as permanent legislation), general laws on citizenship, bankruptcy, counterfeiting and uttering forgeries of public documents of the state, and laws governing the establishment of trial by juries. One might think that this list of exceptions leaves little field in which the court can wield the constitutionality scalpel, but it is a matter of common knowledge that decisions of *inconstitucionalidad* are frequent (and received with the customary wide diversity of feelings) not only in Argentina but in most other liberal democracies founded on a written charter.

Judicial Declaration

One of the most interesting suggestions is made in a proposed amendment to the Constitution under which "The President, or either House of Congress, at any time may require from the Supreme Court an opinion upon the constitutionality of any Act passed by Congress, and the Supreme Court shall render such opinion in writing."

This would be, in effect, an application of the principle of the declaratory judgment. This is a relatively new principle in American jurisprudence, existing in the Federal courts only since 1915, with an important amendment in 1934. Declaratory judgment laws authorize the courts to pass on the rights of parties in cases of an actual controversy, upon the application of any party in interest. The purpose is to avoid needless litigation by declaring in advance the law which would be applicable. Practitioners in the Federal courts and lawyers in those States which have adopted similar legislation are constantly finding new uses for this sensible measure.

Admittedly there is a great difference between advance decisions of the court in matters of private controversy and advance opinions of the Supreme Court on the constitutionality of an act of Congress, but the difference is largely one of degree rather than kind. In Canada, the Governor General in Council may call upon the Supreme Court of Canada at any time for an opinion in the public interest. The Canadian provision is worth reading:

55. 1. Important questions of law or fact touching

(a) the interpretation of the *British North America Acts*, or

(b) the constitutionality or interpretation of any Dominion or provincial legislation; or

(c) the appellate jurisdiction as to educational matters, by the *British North America Act, 1867*, or by any other Act or law vested in the Governor in Council; or

(d) the powers of the Parliament of Canada, or of the legislatures of the provinces, or of the respective governments thereof, whether or not the particular power in question has been or is proposed to be exercised; or

(e) any other matter, whether or not in the opinion of the court *ejusdem generis* with the foregoing enumerations, with reference to which the Governor in Council sees fit to submit any such question;

may be referred by the Governor in Council to the Supreme Court for hearing and consideration; and any question touching any of the matters aforesaid, so referred by the Governor in Council, shall be conclusively deemed to be an important question.

2. When any such reference is made to the Court it shall be the duty of the Court to hear and consider it, and to answer each question so referred; and the Court shall certify to the Governor in Council, for his information, its opinion upon each such question, with the reasons for each such answer; and such opinion shall be pronounced in like manner as in the case of a judgment upon an appeal to the Court; and any judge who differs from the opinion of the majority shall in like manner certify his opinion and his reasons.

3. In case any such question relates to the constitutional validity of any Act which has heretofore been or shall hereafter be passed by the legislature of any province, or of any provision in any such Act, or in case, for any reason, the government of any province has any special interest in any such question, the attorney general of such province shall be notified of the hearing, in order that he may be heard if he thinks fit.

4. The Court shall have power to direct that any person interested, or, where there is a class of persons interested, any one or more persons as representatives of such class, shall be notified of the hearing upon any reference under this section, and such persons shall be entitled to be heard thereon.

5. The Court may, in its discretion, request any counsel to argue the case as to any interest which is affected and as to which counsel does not appear, and the reasonable expenses thereby occasioned may be paid by the Minister of Finance out of any moneys appropriated by Parliament for expenses of litigation.

6. The opinion of the Court upon such reference, although advisory only, shall, for all purposes of appeal to His Majesty in Council, be treated as a final judgment of the said Court between the parties.

56. The Court, or any two of the judges thereof, shall examine and report upon any private bill or petition for a private bill presented to the Senate or House of Com-

mons, and referred to the Court under any rules or orders made by the Senate or the House of Commons. (Chap. 35, R.S. 1927.)

Learning From Our Neighbors

The Commonwealth of Australia, another federal country, also provides that its Parliament may make laws conferring jurisdiction on the High Court in any matter involving interpretation of the Constitution. If one is inclined to say at first blush that the laws of Australia, Canada, England, and Argentina might be perfectly suited to the inhabitants of those countries but can have no application here, the answer is that we can and should draw many practical lessons from foreign laws, since they generally embody the results of experience, careful thought, and wide discussion. In Argentina, for example, before the adoption of the measures mentioned above, two bitterly opposed schools of thought developed able partisans who, in all manner of debates and controversy, brought out, on the one hand, all the possible arguments for guiding the new ship of state along a Continental or French juridical channel and, on the other, every advantage which might be derived from following North American precedents. The champions of the latter view, led by one of the New World's most eminent jurists, Dr. Vélez Sarsfield, prevailed. Thus, in the white heat of a serious foreign controversy our system was tried and found true—or at least as true as the level of jurisprudence of that day, namely, the middle years of the last century, permitted.

Recently a scene of no little historical interest was being changed in Washington: the file cabinets which lined the long corridor of a great public building on both sides for the length of two city blocks, each cabinet crammed with the results of the greatest concentration of cerebration since the World War, were dismantled and sent into the limbo of permanent storage—the physical remains of the National Recovery Administration. The contrast in method is striking. It may be added that the Canadians are now trying to get their constitution (the *British North America Acts*) amended by the British Parliament. One of the things they want to get by such an amendment is the right to amend their own constitution themselves.

New Fields of Jurisprudence

To hale a host of "sit-down" strikers and their union leaders into court can have but one result—the court must apply the ancient laws of trespass, order the trespassers off the property and assess damages. Resort to the court, however, in a way begs the whole question, for the truth is that the law is too rigid to cope with the molten and irrepressible social and economic forces of the day. Nor is it necessary to condone trespass and sabotage in order to reach this conclusion. A full decade ago England faced the problem squarely and enacted the *Trades Disputes and Trade Unions Act, 1927*, which declared illegal any strike which has any object other than or in addition to the furtherance of a trade dispute within the trade or industry in which strikers are engaged, and any strike designed or calculated to coerce the Government either directly or indirectly or by inflicting hardship upon the community.

To assist in the enforcement of the act, it was provided that all labor unions must register political funds with the Registrar of Friendly Societies. Yet this conscious effort to deal with strikes by submitting them to the régime of the courts did not take into consideration the fact that courts are better fitted to interpret concrete issues of law rather than to umpire industrial clashes. A better way would seem to be the French law published January 1 of this year, under which all collective labor disputes must be submitted to conciliation and arbitration before any strike or lock-out may be lawfully declared. Rules for arbitration provided in collective labor agreements are to be followed when they exist; otherwise the Government will provide arbitration rules by decree, in accordance with existing arbitration laws. In case of a tie, provision is made for the appointment of an umpire. The award, which is unappealable, must seek to establish equitable working conditions, promote cooperation, and determine property rights, syndical rights, individual liberty, freedom of labor, and syndical liberty. The award must state the grounds for decision, be rendered promptly and publicly, and be obeyed by the parties.

Such a measure is calculated to assure civil peace. GUERRA EVERETT

On the Religious Horizon

IN SPITE of returning prosperity, the people of the United States last year gave proportionately less to churches, education, and philanthropy than has been recorded in any year since 1925, according to Charles V. Vickrey, president of The Golden Rule Foundation, presenting a report to the National Committee for Religion and Welfare Recovery.

Mr. Vickrey bases his findings in part upon the official preliminary report just issued by the U. S. Treasury Department and compiled from income tax returns for 1935. These returns indicate a total net taxable income of $14,656,079,000, with $305,279,000 or 2.083% deducted as tax-exempt contributions. The corresponding figures for 1934 are $12,796,802,000 of taxable income, with $272,822,000 or 2.132% deducted as contributions. In 1932, the net taxable income was $11,655,757,000, with $304,009,000 or 2.608% deducted as contributions.

A study of the Treasury Department's income tax reports for the past 20 years reveals that at no time have the deductible contributions reached as high as 3%. They have hovered rather closely around 2%—scarcely within speaking distance of the Biblical tithe or the 15% which the U. S. government offers to exempt from taxation if contributed to religious, educational, scientific, character-building, or other forms of social service.

"Strange as it may seem, the depression year of 1932 produced the highest percentage of giving that has ever been recorded," said Mr. Vickrey. The *United States News*, in its December 28 issue, predicts that "business recovery to the levels of the prosperous twenties is ahead for 1937." The same paper asserts that in 1937 America's ability to buy will come "within 5% of 1929." It will be interesting to note the effect this prosperity will have upon church contributions.

Reports from the Greater New York Federation of Churches' Department of Religious Education that "only one out of 17 children in greater New York are enrolled in a Sunday School" would indicate that American Christians might well begin to do something really constructive in the way of promoting a more far-reaching and efficient program of religious education. Besides the usual Sunday School instruction, "something" is needed in American education in general, according to A. C. Marts, acting president of Bucknell University. Addressing the Presbyterian College Union dinner on January 11, he said: "There is something forgotten in American education. It is religion. It is training in moral character. Education has forgotten the only thing that brought it into being and made it vital—religion."

Education and Citizenship

In an interview given to the News Service of the National Conference of Jews and Christians, Frederick M. Thrasher, associate professor of Education at New York University, said: "Children of the congested districts gather where something is doing. A church might just as well be the gathering place as a school, a library, a tavern, or an alley. The Church need not—probably should not—work alone on its problem. It can be a valuable partner and ally of other wholesome citizenship movements in giving more boys and girls the right kind of 'gang' life." Professor Thrasher cited Boy Scout activities, Hi-Y clubs, and church boys' clubs as examples and spoke of the fine work being done in Los Angeles County to prevent juvenile delinquency.

Other evidences of a growing concern over the educational problem of the Church, especially in relation to good citizenship, are appearing at almost every gathering of religious leaders. Delegates from 160 colleges and universities (with a total enrolment of 175,000) maintained by the Methodist Episcopal Church, the Methodist Episcopal Church, South, and the Methodist Protestant Church, were told at their recent convention in Atlanta, Georgia, by Dr. William Warren Sweet of Chicago that the "future of American

Methodist education does not lie in competition with large state institutions." Fascism and communism were designated by President J. H. Reynolds of Hendrix College as the most likely threats to academic freedom. He declared: "This danger can best be met by providing an ever-increasing stream of able, well-trained, fearless leaders capable of guiding society wisely. The most effective agency to produce this independent leadership thus far discovered is the church-related college."

Addressing the twenty-fourth annual convention of the National Lutheran Education Conference at Washington, Dr. Conrad Bergendoff declared: "The task of the Christian college is to produce a student who is definitely Christian in his faith and life and who will advance the principles and the program of the Church as the only agency which can ultimately help the state."

Marxism Versus Christianity

All of which seems to indicate that the churches are realizing that the making of a true Christian is not an "overnight" matter. Changing *mores* and the growth of atheism may be credited with having awakened the religious leaders to the realization that conversion is a lengthy process, if lasting results are to be shown. The Congregation for Extraordinary Ecclesiastical Affairs (Roman Catholic), has recently created a world-wide organization to combat communism. Perhaps the briefest and fullest description of the organization, according to the editor of *America*, would be to say that "it is designed to answer Lenin's well known description of Marxism: 'Marxism is materialism. We must fight religion. That is the A.B.C. of all materialism, consequently of Marxism. We must know how to fight religion, and for this purpose we must explain on materialistic lines the origin of faith and religion to the masses. The Marxist must be a materialist, that is, an enemy of religion. Religion is the opium of the people. Our program necessarily includes the propaganda of atheism.'"

News from Russia indicates some progress in this fight against religion. According to the January issue of *World Dominion*, there were 14,000 churches closed in Russia in 1935, and a Polish publication reproduced an official Soviet statement that, from 1917 to 1935, 42,800 clergymen had died in concentration camps and other places. It was estimated that the number of priests in Russia in 1935 was 1,200. At Easter of 1935, there were 35 churches open in Moscow and over 50,000 persons attending. Approximately 40% of Russia's population is under twenty years of age—born since the Revolution.

At the Tenth Anniversary Celebration of the "League of Militant Godless", held in February 1936, President Jaroslawski reported considerable progress but admitted that the anti-religious battle was far from won. Fifty percent of Russian youth still clung to the Christian faith. Half of the population of the U.S.S.R. was atheist, but 40,000 communities still maintained churches. Thirty-four percent of the collective farmers and a much larger percentage of individual farmers persisted in religious practices.

The educational program for 1936 of the "Communist Internationale" stated: "Among the objects of the cultural revolution . . . the fight against religion, that opiate of the people, hold[s] a special place. This fight should be carried on inflexibly and systematically. . . . Active anti-religious activities should be conducted, and all attention should be placed upon the basis of a materialistic conception of the universe."

In connection with religion and education, it is interesting to note the newly-revised Constitution of Colombia, which indicates an altered and more liberal relation between church and state. It is now stated that: "The state guarantees liberty of conscience. No one shall be persecuted because of his religious opinions nor compelled to profess beliefs or observe practices contrary to his conscience. Liberty of worship is guaranteed to all provided that it is not contrary to Christian morals nor to the laws. . . ." Another article, which formerly stated that public education should be organized and directed in accordance with the Catholic religion, has been replaced by a new article (14): "Liberty of teaching is guaranteed. The state shall have supreme power of inspection of teaching institutions, both public and private, in order to insure the achievement of the social objective of education and the better intellectual, moral, and physical training of those who are taught."

Reliable information from Spain is to the effect that "not one Church is open for services in Madrid." It is difficult for the casual observer to understand the sudden reversal of attitude which has come over the Spanish populace. *The Commonweal*, January 29,

1937, carries an interesting article on "Spanish War Psychology" by Fr. Peter Arrupe, in which he holds that the very prevalence of religious faith led, once that faith became secularized and revolutionary, to excesses. He says: "The true meaning of this civil strife can be summed up in one short phrase: the war is the outward expression of a profound crisis inside the nation's Catholic soul. . . . Precisely because he is so profoundly religious, the Spanish worker soon developed his socialism into communism, and then carried his communism to brutality. . . . His country may not be very important in the world drama of today, but as an individual, he is willing to yield to no one on earth in regard to nobility. A certain individualism is a prominent trait of his race. . . . Those who have disowned *la fe* have lost with it their very personality and transformed themselves into demoralized crowds. In Spain, more than in any other country, the communistic collectivists look like flocks of sheep. They have sacrificed their consciousness of individual worth, without acquiring an awareness of membership in an organization or enthusiasm for ideals. . . . The Spanish communist has been destroying the symbols of the Faith and desecrating its sanctuaries, in spite of the fact that *la fe* still lives in his soul. The soul of the Spanish communist is rent to the very bottom of its being; this explains why the external manifestations are so unbelievably brutal."

Hitler Changes Heart?

Reports of a change of heart on the part of Adolf Hitler toward the Church, long the object of persecution in Germany, are received with scepticism by Roman Catholic and Protestant leaders alike. Dr. Henry Smith Leiper, of the Federal Council of Churches of Christ in America, and a Roman Catholic dispatch from Holland warn against accepting these reports at face value in almost identical language.

"As long as Rosenberg and the men who are with him," says the Roman Catholic observer, "are chief protagonists of the German neo-paganism, including Schirach, Ley, Wagner, and Streicher, are not removed, and Hitler does not take an unequivocal public stand upholding the Christian traditions of his country, it is indeed very premature to expect an end of the Nazi drive against the Churches.

"Unfortunately, all the antecedents and doctrines of the Nazi Party offer conclusive proof of its fundamentally anti-Christian philosophies. If Hitler should now, for reasons of mere domestic political expediency, decree a halt in the drive against the Churches, it would undoubtedly not affect these basic tendencies. A revival of the drive against all Christian ideals would once more become noticeable as soon as Nazi requirements might call for it."

The situation of the Church within German public life is characterized by a growing intensification of fundamental questions. There is no denying the fact that the particular driving forces within the National Socialist movement have not changed their basic rejection of the Evangelical Church, although, on the other hand, the official attitude of the state towards the Church is still one of benevolent neutrality. The present opposition to the Church is predominantly underground. Measures against the Church or against individual clergy are hardly carried out in the open. And, in particular, public expression of opinion is almost entirely eliminated, especially on the question of Church-state relations. If one compares with this the often very public attacks made by leading personalities on the Christian faith (for instance, the numerous public utterances of Dr. Ley), and the frequently apparent anti-Church tendency of the National Socialist training, especially as regards the labor camps and training courses for leaders, the whole situation of the Church in German public life must be described as extraordinary and unfavorable.

Good Will Toward Turks

Much interest has been shown in Turkish papers recently in signs of what is regarded as suggesting the dawn of a new era of good will between Turks and Armenians. One paper quotes an incident which occurred in Marseilles, where there are many Armenians who have emigrated from Turkey. A Turk visiting Marseilles informed this newspaper of the great attention which these Armenians had paid to him. Of his reception in an Armenian home, to which he had been heartily invited, this Turk wrote: "They met me as one meets a brother on the pilgrim way. Women, children, and everyone all but hugged me. They had a table set in Turkish fashion. The food was all made in Turkish style, and all the conversation turned around the home-land. Turkish culture had worked its way right into the marrow of their bones."

REV. WILLIAM B. SHARP

A DIGEST OF COMMENT QUOTED OR TRANSLATED FROM THE ORIGINAL

THEY SAY

SOMETIMES IMPORTANT ★ OFTEN AMUSING ★ ALWAYS AUTHENTIC

EDWARDIAN HANGOVER

WE FIND ourselves somewhat at a loss what to do with the very considerable amount of correspondence and of contributions sent in by writers who are distinctly out of sympathy with the policy—theoretically the unanimous policy of all the associated nations—of the British Commonwealth in refusing to permit the morganatic marriage desired by King Edward VIII and thus permitting him only the alternative of giving up the marriage or of abdicating. We imagine that most of our fellow editors of the daily and weekly press in Canada are in much the same position. It does not appear that there is much to be gained by the publication of these writings, since the abdication is now irrevocable and every practical consideration urges that the nations of the Commonwealth unite in making the best of the situation and particularly in extending to the new monarch every possible assurance and evidence of loyalty. At the same time nothing is to be gained by blinding ourselves to the fact that the transfer of the crown has not been effected without serious damage to the feelings of a large element, and a very valuable because an independent-thinking element, among the crown's subjects. We hope that our many correspondents will accept this assurance that the non-publication of their letters is not due to any thought that they are unimportant or that the feelings which they express have no justification.

—*Saturday Night*, Toronto, Canada, January 16, 1937.

O LOVE!

Love rules supreme over this world. When blessed with love, the destitutes become rich and happy; the sluggards turn out to be energetic and ambitious; the slovenly-dressed desire to improve their appearance; the drunkards abstain from indulgence; and the pessimists begin to look forward with bright hopes. On the other hand, when deprived of or disappointed in love, even the millionaires appear to be poor and melancholy; the wits become dumb and taciturn; the smartly-attired neglect their appearance; the temperates betake themselves to excessive drinking to drown their anguish; and the optimists lose their hopeful outlooks. The gain of love gives new and uncanny strength to the men of dotage, while its loss causes the premature withering of many flowers of the youth. Many an individual would unhesitantly forsake his family and career for love, while many a king would readily accept love in preference to his kingdom.

It, therefore, shocks me to learn that the King of a country, which is reputed to be one of the most democratic and where the people enjoy complete freedom in love affairs, should be denied the privilege of marrying the woman of his choice. The King in question is a popular sovereign, respected by his government and loved by his people. He is now over forty years old, and therefore is not a small boy, but a mature man. At such an age, a man, of course, knows what he wants, and can conduct his own personal affairs without the necessity of soliciting outside advice. Even in China, a man of forty years old is independent enough to select his own wife, without the fear of encountering family objections. It is, therefore, paradoxical that in a country where freedom of love is a privilege enjoyed by all the common people, the King should be definitely told that his proposed marriage with a woman of his own choice can not be countenanced by his government.

The woman loved by the said King may be a foreigner, a commoner, and a twice divorcée, but she is still one of God's creatures just as the King himself. The proposed marriage may be morganatic, but from the anatomical standpoint, what is really the difference in the physical make-up between a princess of a royal house and a girl from Main Street? Eugenics may lay stress upon the selection of one's mate, but it is not known that it has ever raised any objection to a morganatic marriage. It is anachronism to talk about royal blood and family pedigree at a time when we have been repeatedly told that all men are created equal. If a king should confine his choice of his mate to the royal houses, then his chance of getting married would become smaller

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BURYING THE HATCHET

and smaller, inasmuch as the timber fit for queens becomes rarer and rarer as a result of the downfall of the Hohenzollern, Romanoff and Bourbon Houses incidental in the War. Before long, a king will have to remain single, or accept any girl who can claim a distant relationship to King Arthur.

It is not surprising that a king would take no relish in the glory of the throne when his heart is burnt with the fire of love. O Love! how cruel you are! You have deprived a country of a very progressive and enlightening King and the world of a very courageous and popular Leader. You are the King of Kings. You are indeed the supreme ruler of this great world.

—*China Weekly Review.*

ENGLAND DESPAIRS?

England is done. She is going the way of all the old Empires. She has lost the will to live. She has only the will to let live.

Over the last ten years she has sustained diplomatic defeats of the first magnitude. Manchukuo, Abyssinia, the farce of the Spanish non-intervention committee. She is weak because she has lost faith in herself. You can do anything to her Government. Lannes' words about Talleyrand were quoted to me and applied to Mr. Baldwin and his colleagues: "If you were talking to them and somebody kicked their backsides you would never be able to tell from their faces that anything had happened."

Now it would be absurd to say that this represents the general international view. Of course, it does not. But it would be equally absurd and blind to ignore the fact that this view is expressed in more than one quarter. "Why don't you do something? Don't you see that if you allow the fear of war to dominate you, you will inevitably bring it about?" How often have I not heard such words as these in the last weeks, and though the volume of this utterance may not yet be large, yet it is steadily growing.

Perhaps it is as well that it should. Perhaps, after all, there is a trump card up the sleeve of the Cabinet and they are only waiting a favorable moment to produce and play it. Perhaps, like the Old Contemptibles, they retreat and retreat in order to strike back the harder. If this be so, then the League, in which they have not ceased to proclaim their faith, may yet save the world.

But it would be foolish to be deliberately blind to the growing feeling of despair in Europe and the growing belief that this England and the Empire have no solution but weak resignation before a catastrophe daily growing nearer.

—*World Review*, January, 1937.

ANGLO-ITALIAN ACCORD

Fascist Italy, subjected to the pressure of Pan-Germanism in Central Europe, finds it advantageous to be able to lean on the Western powers. But, since she has not exhausted her territorial and political claims, and since in the future she will present her demands both to London and to Paris, Italy still makes an elaborate display of her intimacy with Germany.

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SOME DAY, PERHAPS

The Spanish Civil War will serve as an immediate test. Serious incidents are multiplying between the German Navy and the authorities of Bilbao, Valencia and Madrid. These authorities have informed the committee of London that their naval commanders have received the order to fire, in the future, on merchant ships disregarding their summons in territorial waters. It is probable that the authorities of Burgos will follow suit. Besides, we have already indicated the threatening aspect taken by the deliberations of Berlin. We shall soon find out whether the Italian government will exert on its German associate the conciliatory influence anticipated by the British cabinet.

—Pertinax in the *Echo de Paris*, Paris, January 3, 1937.

ITALY IN THE BALEARICS

The rapid rise of Fascist Italy as a naval and military power is chiefly responsible for the present interest in the Balearics. Britain has already been humiliated by Mussolini's bold behavior in the Ethiopian affair, and she can no longer regard her short route to India as safe. France's free access to her granary and reservoir of man power in North Africa would be put in complete jeopardy were the Italians to obtain rights to employ one or more of the islands as air and naval bases.

Even under present conditions the western Mediterranean is largely at the mercy of the Italian warships and airplanes based on La Spezia, La Maddalena and other fortified places. If Italy obtained a foothold in the Balearics, France would be forced to depend on the roundabout Atlantic route for her wartime communications with North Africa. As a matter of fact, this danger would exist for France in case a Fascist government were established in Spain regardless of whether or not Italy secured any outright concessions in the islands, for the French could be quite certain that upon the outbreak of war between themselves and the Italians, a Fascist Spain would allow Fascist Italy the use of Port Mahon, Palma and other Balearic ports. In other words, there would be a repetition of the present situation in which Italian officers—"Italian volunteers" Foreign Minister Eden described them in the House of Commons on November 30—seem to have taken over control of the Balearics, unofficially but none the less effectively.

Responsible leaders of the Spanish rebel movement have repudiated the charge that they have promised to cede the Balearics to Italy, or to anyone else. In view of the intense national pride of the Spanish people—the wall against which Napoleon beat in vain—it would seem very doubtful whether any regime, regardless of what it might have felt compelled to promise in advance, could actually surrender any part of the national patrimony and remain long in power. It might grant certain foreign Powers military, naval or aerial privileges, and in time of war these could prove very valuable; but it hardly could go further.

—*Foreign Affairs*, January 1937.

Why Hitler Needs Morocco

NOW that the "German menace in Morocco" has at length reached all the front pages, readers of *The Week* will recall that the facts about German activity in that country were mentioned in *The Week* as long ago as September 30th. * * *

In view of the present situation it is of importance to recall that the facts then published were in the possession of the French Government at least eight days before they were published by us. They were collected by numerous correspondents of *The Week* and by a more or less secret delegation, which—with the veiled blessings of the French Government—visited Morocco in August.

A curious feature of the affair is that, apparently under British Government pressure, the Blum Government took no serious defensive steps at that time and, indeed, continued, in collaboration with Britain, to interfere as seriously as possible with the supply of arms to the anti-German forces by permitting the flooding of German arms to continue unchecked into the headquarters of the rebels, acting under the direction of Berlin.

Nevertheless, the French Government did undertake one action of extreme gravity and importance.

Early in September, steps were taken to speed up and push forward at emergency pace a scheme for doubling the railway which runs from the eastern section of French North Africa through French Morocco, along the southern border of Spanish Morocco, and finally reaches the port of Casablanca.

The idea was that this railway would be necessary for the transport of French North African troops, by the Atlantic route to the western front, if the direct Mediterranean route were cut by the Germans.

It is now, however, perfectly clear that the German General Staff does not at all propose to be robbed so easily of the strategic advantages which were the objective behind the German organization, through General Sanjurjo, of the military rebellion in Spain.

If the Germans can dig themselves in, in Spanish Morocco, quickly enough, they can before this spring entirely nullify the French alternative plans for the transport of their North African troops.

So long as it was supposed in Paris that the German aim in Morocco was constituted mainly in the conquest of all mineral supplies from the French, the plans for the alternative transport of troops continued to make sense. Now that even Paris and London understand that the occupation of Morocco by Germany is scheduled as a full-dress military affair, it is obvious that the east-west route across French Morocco is directly threatened.

Starting with the powerful and well-fortified base at Melilla, the Germans will be—and probably are—in a position not only to cut all sea communications from the neighboring points of French Morocco, but also to attack the railway eastwards. Further west there is a long stretch where the lines run fully exposed to attack from the Spanish Moroccan frontier.

Finally, Casablanca itself is rendered virtually useless as a regular embarkation point if there is a German base at Ceuta, another in the Canary Islands, and a third in Rio de Oro.

—*The Week*, January 13, 1937.

Il 420, Florence

NON-INTERVENTION

A dispatch from the Government at Valencia! Who can read it? It's written in Spanish!

HITLER AND NAPOLEON

Towards the end of 1808, Baron de Vincent, an emissary of the Austrian Emperor, had a conversation with Napoleon at Metz. It was as follows:

de Vincent: "Your Majesty, they view with regret in Vienna your enterprise in Spain."

Napoleon: "They cannot regret it more than I do myself; it is the greatest folly I have ever committed in my life."

de Vincent: "In that case, Sir, might one not say that the shortest follies are the best, and that it would be wise to give up this one."

Napoleon: "But how, my dear General? Let us consider it together and you give me your ideas how I can get myself out of the mess."

de Vincent: "Surely it cannot be so difficult to give up what is causing so much trouble both to your Majesty and to Europe."

Napoleon: "You talk lightly of it, but think of my position. I am a usurper; to reach the place I am now in, I had to have the best brain and the best sword in Europe. To keep myself where I

am, I must have the whole world continue to believe this. I must maintain, not lower, the reputation of the brain and the reputation of the sword, I cannot face the world and say that I have been gravely mistaken and remain with a beaten army. Judge for yourself; is it possible?"

The conversation is given in Baron de Barante's *Souvenirs.* It must have been repeated almost verbatim during the last week or ten days when, as we are told, Hitler discussed the question of German intervention in Spain with those who take towards it the attitude of de Vincent, and are urging that the shortest follies are the best.

—*The New Statesman and Nation*, January 9, 1937.

Germany Prepares for War

THE climax of German rearmament has been reached. Germany is ready for war. Mobilization orders have been dispatched in the last three weeks to every able-bodied man.

The Week is able to reproduce this important document in translation. It reads:

MOBILIZATION ORDER

Herrn . . . .

Koeln.

On declaration of general mobilization, without awaiting any further order, you are to report to . . . (street address and district) . . . on the first day of mobilization before 8 a.m.

You are to bring your military papers. Instructions on the reverse side of this order are to be observed.

This mobilization order is to be considered invalidated by any subsequent one, on receipt of which this order must be destroyed by the recipient himself. See paragraph 3 on the reverse side for instructions in case of removal into another area command.

Area District Command X
. . . Koeln X.

Seal

THIS ORDER WILL BE ACCEPTED BY THE RAILWAY AS FARE TO THE POINT OF MOBILIZATION.

(Reverse side)

INSTRUCTIONS.

1. This mobilization order is to be kept in a safe place, and after receipt of a military pass should be attached to it.

2. The loss of this mobilization order must be reported immediately to the mobilization station (area district command) Failure to do so will be punished

3. If this *mobilization order calls for "immediate" mobilization*, it becomes invalid through the *recipient's removal* to another area command. It is to be returned to the area command when notice of removal is given.

If this mobilization order calls for mobilization on a certain day of the mobilization period, it retains its validity upon removal to another area command until the new, competent mobilization station (area command) dispatches a new mobilization order. Thereupon the old mobilization order is to be returned to the new, competent mobilization station (area command).

4. Failure to comply with this mobilization order will be punishable by martial law.

5. The conscript is under martial law from the day of mobilization.

NOTICE

The following articles, in so far as they may be available and usable in active service, are to be in your possession upon arrival at the reporting centre. 2 shirts and 2 pairs of underpants, 3 pairs of socks, marching boots, woollen blanket; in addition, in winter, vest, cap comforter, gloves, woollen wrist-bands, furthermore pack, tent-section, belt, haversack, water-bottle, mess-tin, cutlery.

Such of these articles as may be suitable for use will be paid for in cash. In addition the conscript is to bring some adequate receptacle for packing his civilian clothes.

You are to notify your peace-time employer or your immediate superior of the receipt of this mobilization order.

—*The Week*, January 1, 1937

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VERDICT FROM THE DOCK

GERMANY IN THE EAST

It has been reported in the French Press that, at the banquet following the German autumn army maneuvers, General Fritsch proposed a toast to the Red Army and its leaders. I have never believed in any political opposition on the part of the army, nor does it today oppose home policy. But the disagreement of the military with the anti-Soviet campaign is credible and probable. Based on strategical considerations, this opposition must sooner or later extend to the field of foreign policy.

The traditional formula of the German General Staff has for a long time been: Beware of the wide spaces of eastern Europe and Russia's powers of resistance. The attitude is much older than Seeckt, who was only one of its later representatives. The tradition began with the elder Moltke, who said: "The hardest test of the new German Reich's continued existence would be a simultaneous war against France and Russia." Three succeeding Chiefs of the General Staff—Schlieffen, the younger Moltke, and Falkenhayn—never ceased to point out the great dangers which would arise out of a war with Russia. From 1892, when he became Chief of the General Staff, Schlieffen gave repeated warnings about Russia's powers of resistance: "The Russians can no longer be surprised." These sentiments were re-echoed by the younger Moltke: "No offensive adventures in the East!"

The new German General Staff knows that the military power of the Soviet Union cannot be compared with the defensive force of old Russia, and that Schlieffen's warnings have today ten times their former force. When the *Militärwissenschaftliche Rundschau*, the organ of the War Ministry, declares that the Soviet Union has the strongest tank army and the strongest air arm in the world, that is not Goebbel's material dished up for the provinces; it is purely factual information for the officers of the army, confirmed by experts.

The military order of precedence in Europe has changed tremendously since 1914. A German Army which invaded the east would have against it not only the immense spaces and the reserve man-power of Russia, but also a modern well-armed, highly-qualified army, whose performances in the technique of warfare and whose tactical development are recognized as exemplary in German military literature.

The task of invading the east would be a completely new one for the German army, for under Seeckt, Gröner, Hammerstein and Schleicher, there was absolutely no strategic plan for a war against the Soviet Union. If today one has to be established, it will have to be on the basis of the unmistakable inferiority of the Third Reich. For the Germany Army the foreign policy of Hitler and Rosenberg means not merely far greater danger than the German eastern policy of 1914, about which the army warned the civil leaders, but **certain ruin.** As long as this foreign policy persists, any military policy for Germany is senseless, since the problem of a war on many fronts would be insoluble if Soviet Russia were one of Germany's enemies. A war against a coalition would be not merely a risk, as in 1914, but conscious suicide. Assuming that an Anglo-French coalition is approximately equal to Germany in war resources, then the margin of superiority of an east-west defensive coalition against the Third Reich consists of the whole might of the Red Army. This division of power cannot be changed by any diplomatic measures on the part of Germany, because it is based on the economic and military structure of the European Great Powers. The foreign policy of the Third Reich has driven the army into a strategic *cul-de-sac* from which there is no escape.

The problem of foreign policy is certainly the only bone of contention between the military and the political leaders of the Third Reich. For the army chiefs' opposition to the strategy of the politicians is a question of self-preservation; they do not demand a peace-policy from Hitler, but a foreign policy which prepares the ground for war rationally. If this is refused, it will be an historical reward for the help given to Hitler by the Reichswehr when he came to power.

—*Die Neue Weltbühne*, Prague

AUSTRO-GERMAN TREATY

It has been recently learned that a secret treaty has just been signed between Germany and Austria for the purpose of crushing the "communist danger" in Czechoslovakia. According to this agreement Austria will increase its regular army up to 80,000 men, while Germany will undertake to provide Austria with airplanes, tanks and machine-guns. The Austrian Government will provide 130 millions of schillings for an intensive development of war industry. In this connection, a large part of the orders will be placed in Germany, the rest in Italy. Under certain circumstances the German and Austrian armed forces will act together.

It is well known that the direct road to the Ukraine—which Hitler covets—runs thru Czechoslovakia, the only democratic nation in this section of Europe, and which has, moreover, signed an agreement with the U. S. S. R. The Austro-German treaty has been signed during the Berlin visit of M. Otto Schmidt, of the Ministry of Foreign Affairs of Austria. Twenty thousand soldiers of selected regiments were concentrated by the Reich on the frontier of Czechoslovakia. The construction of airports on this frontier is actively pushed forward and they are already provided with pursuit and bombing planes. The German press, under the orders of Goebbels, carries on incessantly a violent campaign against Czechoslovakia. The Czechoslovaks believe that

Hitler will not invade their country at the beginning, but that he will follow the method he used in Spain: he will foment a fascist coup inside the country itself. This will serve as an excuse for intervention under the pretext that Germany is endangered.

Since July, Hitlerite propaganda has been intensified in Austria. For the sake of appearances the Government declares that it will continue to suppress the Nazi elements. However more than 500 Nazis who were exiled after the putsch of 1934 have recently returned to Vienna with the Government's permission.

—Prague correspondent in *Humanité*, Paris, January 2, 1937.

LARDER-PENANCE

Once more, quite seriously and without mental reservations, we bow before the unanswerable frankness with which National Socialism places the nation before food. It remains to be seen whether the orators who thus frankly propose the black broth of Sparta will be followed. We wonder whether the preachers of the Teutonic larder-penance will be morally followed; we do not doubt that they will be, practically. The régime has at its disposal effective means of enforcing its decisions. The question arises (and it is of real interest for the internal psychology of the country) whether the hardships imposed by the German economic system will be accepted, or merely submitted to—courageously accepted or submitted to with ill grace.

Doesn't Herr Hess go a little too far in asking the housewives of his country to be "happy to do without butter"? The heroic tone has always been for the select few. There is no such thing as collective heroism, even in totalitarian States.

A people's consumption of butter, meat and eggs can be restricted; the real difficulty comes when at the same time you ask that people to be happy. A whimpering stomach is the best ally of a grouning spirit, and gastric discontent is the best purveyor of the army of "carpers" and "grumblers," so much hated by Dr. Goebbels. At the last Nuremberg Congress it was noticed that the spiritual did not come up to the level of the material atmosphere; artificial excitement visibly outran the genuine exaltation of the preceding years. This climatic change was noticed by the correspondent of the Polish *Kurjer Warszawski*, who wrote: "The atmosphere seemed to me to be less enthusiastic and more fanatical than last year."

It is not difficult to see the reason for this change of *Stimmung*. It must be sought in the grim perspective conjured up by the Four Year Plan, the aim of which is to make Germany independent of foreign countries for her raw materials.

To the listener who is old enough to remember the past, this brilliant perspective of autarchy offers no attraction. For the young man the past remains like a mere unreal theory found in a book. That is why Nazi propaganda concentrates on youth, which cannot oppose it with the dangerous weapon of memory. The lean people of the war-years rise in the memory of the older man. He bows down before the scientific knowledge of his country's chemists and knows by experience the credit he can give to the virtuosity of the technicians who make food substitutes; but invincible gastronomic preference drives him towards natural tea, butter, cocoa and coffee. The exalting sentiment of a sacrifice courageously made for the greatness of the nation leaves behind a taste of bitterness in the mouths of ordinary human beings. In spite of the fierce attack on the bourgeois mind and its baseness, there is still room in the Third Reich for secret and sensual reveries. The involuntary sigh of Gambrinus is still liable to break in on a dream of Nordic heroism.

And then certain words frighten us. The Führer proclaimed at Nuremberg the necessity for Germany's economic system to put on the "strait-jacket" of State-control. This strait-jacket, especially in economic matters, has a disagreeable ring about it. The word sends shivers down the spine of tender souls: it smells of Russia, of Komsomol.

To this ignoble anxiety the official spokesmen and torch-bearers of the régime reply with one word: the nation. They offer machine-guns and tanks to the man who dreams of buttered bread, and frankly tell him that if he hesitates between the two kinds of happiness, he is unworthy of being a German.

—*L'Echo de Paris.*

WHO WON?

"The question of who won the war has long been decided in Germany's favour. A country like France, where strikes continually occur and new 'fronts' are always cropping up, and a country like Britain, whose Fascists and patriotic citizens are attacked by misled compatriots, could never have won the war. Nor could America, where strikes are also the order of the day. First, the Jews won the war, and then Germany won it, because she broke the Jewish rule."

—*Julius Streicher, German Minister of Propaganda.*

SOVIET JUSTICE

Soviet criminal law differs in certain fundamental aspects from the practises of the Anglo-Saxon countries. Some of these differences arise out of the fact that Soviet judicial procedure is similar to the French rather than the English, just as was that of Tsarist Russia. The following are the principal points of difference:

1. The Soviet concept of a criminal act is any "socially dangerous act." Actions threatening the whole of society are more serious than those that

endanger an individual. An action may be more dangerous to society at one time than another and therefore the degree of social defense necessary varies with the circumstances under which the act is committed.

2. Treatment of criminals aims to protect society from them and whenever possible to re-educate them to fit into the community. Only in extreme cases, where experience indicates that reform is impossible or when the risk of repetition of the crime is too dangerous to the community, is the death penalty used. A term of imprisonment longer than 10 years cannot be imposed, on the theory that a longer term would be no more effective in re-educating the criminal.

3. Since "the economic foundation of the U. S. S. R. consists in the socialist system of economy and socialist ownership of the implements and means of production * * * offenses against property are very frequently offenses against the state.

4. Court procedure in the Soviet Union is distinguished from the Anglo-Saxon practice, principally, by the thorough preliminary investigation establishing presumption of guilt; rules of evidence permitting the introduction of facts even indirectly related to the crime; informality of cross-examination in court.

—*Research Bulletin on the Soviet Union*, December 30, 1936.

Il 420, Florence

***Stalin:* "This is an awful dilemma. I see the day coming when I must order the execution of the execution party or they will fire on me."**

PURELY AND SIMPLY

Everyone is familiar with the way a sensational criminal case is conducted in capitalist countries. There is the retinue of lawyers with reputations for "winning verdicts"; the opening fight over possible flaws in the indictment—a misspelled word, a lost comma, have times without number proved enough to obscure the real issues involved; there is the wordy battle in the courtroom over technicalities; the "expert" testimony hired at so much an hour to prove one thing, refuted by equally expensive "experts" proving the exact opposite; the badgering of witnesses, laying of traps, twisting of meanings, carefully staged emotional effects; appeals to sentimentalities and passions and prejudices of every kind. And all this—if the defendant's wealth permits—only as a prelude, in case of a conviction, to long and costly appeals which may stretch into years.

The economic basis of this notoriously defective procedure in criminal cases abroad is, of course, the fact that the legal profession is a private enterprise, and a highly lucrative one. It is undeniable that the criminal lawyer's purpose, first and foremost, is to make money; that he can make the most money by saving the greatest number of criminals from punishment; and that this in the main determines the character of capitalist court procedure, with its elaborate chicanery, its precious "rules of evidence"; and makes of it a travesty, not only on justice but on common sense as well.

The situation in the Soviet Union is different. Here no prosecutor's "record" will be enhanced simply by a long string of convictions; no defense counsel has anything to gain by obscuring the guilt of a defendant. The object of a criminal investigation is, purely and simply, to determine whether there is enough evidence to bring the accused to trial. The object of the trial is to confront the accused with the evidence and determine guilt or innocence. The preparatory investigation is thorough; evidence is patiently accumulated, checked and verified; if there is not sufficient evidence there is no trial; when the indictment is drawn up it presents the whole case, in every essential detail. And in an overwhelming majority of cases the accused, confronted with a situation where everything is known, realizes the futility of denial and pleads guilty. Defense counsel is assigned to the defendant with the duty of presenting every mitigating circumstance; the fees are determined by law, there can be no mulcting of a defendant. The procedure in the courtroom brushes aside everything that would impede the object of the trial; it drives straight to its goal—the truth.

—*Moscow News.*

The Inner Contradiction

IT IS a sad and dreadful thing to see your friends on trial for their lives. And it is sadder and more dreadful to hear them hang themselves with their own words.

Karl Radek has been my friend for twelve years or more; and Vladimir Romm, until lately the correspondent of the Izvestia in the United States, I have known and liked since 1930 or thereabouts.

Today Mr. Romm came into court as a witness, but he was between two guards because he had been arrested and had confessed that he was a member of the Trotskyist conspiracy. He told how he had conveyed letters hidden in books and in other ways from Radek to Leon Trotsky and back again.

He spoke with the same charm and courage that made him popular among Washington newspaper men.

Mr. Romm is not on trial—not yet, at least. But he is not a good risk for life insurance.

Then Radek—that gay, delightful conversationalist whose wit flashes like a rapier yet who is so kind and friendly and has been so good to me. The greatest of European journalists, with an unrivaled knowledge of men and cities. A man who so enchanted the warden of Moabit prison in Berlin, where he was once incarcerated, that they were life-long buddies thereafter.

Radek taught me so much and helped me so often—how could I believe him guilty until I heard him say so?

Stalin himself had confidence in Radek until the evidence—and Radek's own confession—made doubt impossible. Yet Radek's last appearance on life's stage was not unworthy. We had heard he was broken, half insane and exhausted. But he was far from it, as Prosecutor Andrei Vishinsky must admit after today's duel from which the self-confessed traitor emerged with banners flying. Mr. Vishinsky tried to pin Radek to an admission that he wanted the Soviet beaten by Germany.

That is an amazing feature of these Moscow trials; they all have an element of the theatre, and yet it is not just a play, for the losers pay with their lives. This trial is pure Hamlet, but there will be no comeback for the actors when the curtain falls.

Radek's testimony today, and Gregory Sokolnikoff's and L. Serebryakoff's showed clearly that they had "let 'I dare not' wait upon 'I would.'" They planned this and talked that, but in reality did little. They said they followed Trotsky in believing that Stalin's régime could be overthrown only by their country's defeat. But they could not quite do things because there was an inner contradiction in their hearts.

Any one of them might have killed Stalin, but they did not—not from fear but on account of this inner contradiction that ruined their whole plot. This is a strange Russian story, which only readers of Dostoievsky will understand.

Yet Radek fought back superbly when Mr. Vishinsky challenged him about not confessing for three months after the investigation began.

Under the shadow of certain death it was a clear and brave performance, but it burned my heart to watch my friend Radek utter the words—as he did utter them in phrase after rapid phrase—*that tied the noose around his own neck.*

Why do they act like that, these Russians? Why don't they fight back and defend themselves as we should in a similar case? The only answer I have is that they are Russians, who are a different breed from us. Or have you read Dostoievsky?

It is still a mystery to me how men like Piatakoff, Sokolnikoff and Radek, of the highest capacity and intelligence, could continue to follow Trotsky.

Some light was turned on this by the testimony of Sokolnikoff, who showed that the basis of this group was sheer anti-Stalinism and that they were prepared to do anything—espionage, assassination or any compromise with the country's enemies—to overthrow the Stalin régime. After that, as Radek also said, they hoped to recover what had been lost, just as Lenin signed the peace of Brest-Litovsk with Germany or made his agreement in 1919 with the American envoy, William C. Bullitt, to the status quo that ostensibly gave half of Russia to Kolchak, Denikin and company.

That was the ideological basis of this so-called "parallel center," which means in plain English second line of Trotsky's attack after the Kameneff-Zinovieff outfit. Unlike the latter, however, these men bear themselves proudly and with courage. They all admit their guilt, but they do it "decently," as they say in England.

Piatakoff spoke with the coolness and lucidity of a professor. Radek flashed his rapier wit against the prosecutor. Sokolnikoff described the why and how of the conspiracy in clear, level terms.

Serebriakoff was a strange witness. He spoke as if half asleep, and his voice sounded strangely dreamy. Every one noticed it. Yet he told with great clarity how they had plotted the murder of Stalin and the Georgian leader, Mr. Berria, and sabotage of the railroads. Plans, always plans; not action. Hamlet again, and the inner contradiction.

—Walter Duranty in *The New York Times.*

AGAIN THE SUPERMAN

The Communist party of Russia put its foot down hard on the theory that a superman can be created through the application of a substance

reportedly designed to regenerate human mental processes. The party protest included a demand that the laboratory of the scientist, S. Kislitzin, in Moscow State University, be closed. A statement issued with the party's authorization declared the principles enunciated by Kislitzin to be contrary to the tenets of Marxism. It accused the Department of Education of the Soviet Government of lending material aid to the scientist, and of interfering in the party's attempts to investigate his activities.

The party organ *Pravda*, described Kislitzin's theory as involving the application of a "special substance" called "geniel" which could be applied to human beings in order to spur their mental processes, endow them with power to foretell world events and finally bring to creation a "more perfect man." The newspaper said that Kislitzin, elaborating the idea in recent years, brought forth a new race theory according to which racial divisions, religious ideas and even the mental capacity of peoples are governed by sun rays. The decomposition of light, combining with peculiarities of electro-magnetic fields of the earth, make racial characteristics permanent and unalterable, according to the theory. *Pravda* said that during the summer of 1935 Kislitzin led an expedition into the Abkhazia district of the Caucasus, known for the longevity of its inhabitants, to study the influence of "meridians X and Y" upon the life span, skin pigmentation and growth of the beard of people in the locality. The Communist party is now accusing the Department of Education of lack of vigilance in permitting the establishment of the scientist's laboratory. The paper complained that, although eminent scientists had publicly voiced the opinion that Kislitzin's theories were illogical, scientific counsel of the Department of Education decided that material assistance should be granted.

—*South African Opinion.*

PROLETARIAN PARADISE

"A movie-cafe" where patrons may eat hot or cold dishes, drink ice cream sodas, coffee, cocoa or wine, and witness the latest newsreels has just opened in the Soviet capital, and, if its present popularity continues, will serve as the model for several similar establishments to be opened in a number of Soviet communities by the Commissariat of the Food Industry. Each newsreel program, which continues half an hour, is projected on a screen at one end of the long, narrow cafe, while the projection machine is in the rear of the cafe. The audience is seated around little glass-topped tables on chairs similar to those found in the most modern Soviet movie houses. In intermissions between the screenings, each evening, diners are provided by the management with magazines and newspapers.

—*Moscow News.*

"PAGE CARRIE NATION"

In line with the Administration's and the National Revolutionary Party's stand against alcoholism, the village of El Quemado, State of Guerrero, has gone "dry". There was no long dispute about it either. As one man that community rose and abolished the sale of booze with determination. Unanimously it was voted: "1)—No more fiestas for El Quemado until it has police for their surveillance. 2)—Any native of the village selling intoxicating liquors shall be called on by the citizens in a body and his stock destroyed. 3)—Every outside merchant holding any license whatever, who introduces liquors for sale will suffer the public destruction of his wares. 4)—Only such fermented drinks may be admitted for sale which have been inspected and tested by the village authorities. 5)—El Quemado assumes its self-imposed responsibility, and will suffer whatever consequences resulting from its united decision."

It may be noted that this village lacks, like many isolated hamlets throughout the Republic, a police force. Hence its provisions for popular enforcement are not to be interpreted in the nature of mob spirit or violence but similar to the recourse resorted to by many colonial New England towns before constabularies were organized.

- *Mexican News Letter*

CHINESE WAR PLANS

[In the event of a Chinese-Japanese war] the strategy should be that of a war of maneuver, over an extended, shifting and indefinite front: a strategy depending for success on a high degree of mobility in difficult terrain, and featured by swift attack and withdrawal, swift concentration and dispersal. It will be a large-scale war of maneuver rather than a simple positional war characterized by extensive trenchwork, deep-massed lines and heavy fortifications. Our strategy and tactics must be conditioned by the theater in which the war will take place, and this dictates a war of maneuver.

This does not mean the abandonment of vital strategic points, which can be defended in positional warfare as long as profitable. But the pivotal strategy must be a war of maneuver and important reliance must be placed on guerilla and partisan tactics. Fortified warfare must be utilized, but it will be of auxiliary and ultimately of secondary strategic importance.

Geographically the theater of the war is so vast that it is possible for us to pursue mobile warfare with the utmost efficiency and with a telling effect on a slow-moving war-machine like Japan's, cautiously feeling its way in front of fierce rear-guard actions. Deep-line concentration and the exhausting defense of a vital position or two on a narrow front would be to throw away all the

tactical advantages of our geography and economic organization, and to repeat the mistake of the Abyssinians. Our strategy and tactics must aim to avoid great decisive battles in the early stages of the war, and gradually to break the morale, the fighting spirit and the military efficiency of the living forces of the enemy.

The mistake of the Abyssinians, quite aside from the internal political weaknesses of their position, was that they attempted to hold a deep front, enabling the Fascists to bombard, gas and strike with their technically stronger military machines at heavy immobile concentrations, exposing themselves to vital organic injury.

Besides the regular Chinese troops we should create, direct, and politically and militarily equip great numbers of partisan and guerilla detachments among the peasantry. What has been accomplished by the anti-Japanese Volunteer units of this type in Manchuria is only a very minor demonstration of the latent power of resistance that can be mobilized from the peasantry of all China. Properly led and organized, such units can keep the Japanese busy 24 hours a day and worry them to death.

It must be remembered that the war will be fought in China. This means that the Japanese will be entirely surrounded by a hostile Chinese people. The Japanese will be forced to move in all their provisions and guard them, maintaining troops along all lines of communications, and heavily garrisoning their bases in Manchuria and Japan as well.

The process of the war will present to China the possibility of capturing many Japanese prisoners, arms, ammunition, war machines, etc. A point will be reached where it will become more and more possible to engage Japan's armies on a basis of positional warfare, using fortifications, deep entrenchment, etc., for as the war progresses the technical equipment of the anti-Japanese forces will greatly improve, and will be reinforced by important foreign help. Japan's economy will crack under the strain of a long expensive occupation of China and the morale of her forces will break under the trial of a war of innumerable but indecisive battles. The great reservoirs of human material in the Chinese people will still be pouring men ready to fight for their freedom into our front lines long after the tidal flood of Japanese imperialism has wrecked itself on the hidden reefs of Chinese resistance.

Japanese officers and soldiers captured and disarmed by us will be welcomed and will be well-treated. They will not be killed. They will be treated in a brotherly way. Every method will be adopted to make the Japanese proletarian soldiers, with whom we have no quarrel, stand up and oppose their own Fascist oppressors. Our slogan will be, "Unite and oppose the common oppressors, the Fascist leaders." Anti-Fascist Japanese troops are our friends, and there is no conflict in our aims.

—Mao Tse-tung, Chinese Communist Leader.

CHINESE BRAIN TRUST

Chen Chia-tang's superstitions are so deep rooted that when he decided, during the height of his power [as Canton warlord], to be very modern indeed and have his own "brain trust," he selected as two of the most influential members some old style Chinese soothsayers.

In the Spring of 1936, when it became evident that the Southwest would have to fight to maintain its independence, General Chen called these two worthies into conference and asked if the time was propitious for him to make a bid for greater power. The two brain trusters went into the soothsaying equivalent to a huddle and came out with a remarkable recommendation.

General Chen Chi-tang's ancestors, they said, were buried in an unlucky spot, and could extend no further benign influence upon their descendant unless their bones were moved. General Chen then wanted to know what location would please the spirits of his forbears, and was told that the tombs must be removed to the side of a mountain near the tombs of the ancestors of the leader of the Taiping Rebellion. * * *

General Chen protested that this location could not be very lucky because the Taiping Rebellion was eventually suppressed, but his soothsayers declared that this was because there was not quite enough water in the surrounding landscape to balance perfectly the hills and the trees. They recommended that before General Chen remove his ancestral tombs a stream should be diverted from a neighboring valley to make the balance perfect. This engineering feat was completed at very large cost, and the bones of the ancestors of Canton's warlord were moved to the new location and sumptuously interred.

But even then General Chen's brain trusters were not satisfied. It would be necessary, they said, for them to actually see General Chiang Kai-shek, and make a final decision based upon the findings of phrenology. * * *

The Canton dictator thereupon decided to send his brother to Nanking, ostensibly to negotiate with the central authorities over the matter of having Kwangtung adopt the National currency system. The two soothsayers accompanied the Cantonese envoy in the guise of secretaries, and thereby obtained admission to the conferences in Nanking during which they studied the shape of the Generalissimo's head. Upon their return to Canton these men of magic told General Chen that the time had come for him to strike, and the great mobilization of early June followed quickly.

[N.B. Last summer's revolt failed.—Ed.]

—*Can China Survive?* by Hallett Abend & Anthony J. Billingham, Ives Washburn, Inc.

CHRONOLOGY

Highlights of Current History, Jan. 11–Feb. 10

DOMESTIC

JANUARY 11—Twenty-four persons injured in Flint, Michigan, strike riot; National Guard mobilizes as "sit-down" strikers defy orders to vacate Fisher Body plants.

Chevrolet and Cadillac-LaSalle production halted; Pontiac and Oldsmobile production curtailed.

President Roosevelt asks Congress for immediate appropriation of $790,000,000 to continue relief for five months.

United States Circuit Court of Appeals, in San Francisco, declares Wagn r Act unconstitutional in so far as it would "require collective bargaining."

Kidnaped Mattson boy found slain.

JANUARY 12—President Roosevelt asks Congress for five-point program of governmental reorganization; twelve major changes involved.

1,200 National Guardsmen massed at Flint, Michigan, in auto strike crisis.

John L. Lewis, C. I. O. head, to ask Congressional investigation of General Motors Corporation.

JANUARY 13—Opposition to President Roosevelt's governmental reorganization plan formed by Congress bloc.

Martin Johnson, explorer, dies.

General Motors Corporation and United Automobile Workers of America officials to confer with Governor Murphy, of Michigan, in effort to end auto strike.

Ten A. F. of L. unions endorse C. I. O.

State Department warns Americans on military service in Spain.

JANUARY 14—Two ship unions call off strike in Eastern ports.

JANUARY 15—Governor Murphy, of Michigan, arranges truce in auto strike; collective bargaining main point in parley.

JANUARY 16—Non-union auto workers ask conference with William S. Knudsen, General Motors Corporation executive vice-president; "sit-down" strikers leave Cadillac and Fleetwood divisions of General Motors Corporation.

Secretary of Labor Perkins announces 1,510,463 persons placed in private employment by Employment Service in 1936.

JANUARY 17—Auto strike parley collapses; union charges "double-cross" by General Motors Corporation on collective bargaining point by meeting committee backed by Flint Alliance; "sit-down" strikers refuse to vacate two Fisher Body plants at Flint, Michigan; General Motors not to negotiate while strikers occupy plants, officials say; Governor Murphy, of Michigan, renews peace efforts.

JANUARY 18—Governor Murphy, of Michigan, may seek Federal aid in settling auto strike; General Motors Corporation denies "double-cross" charge of union; strike situation deadlocked.

President Roosevelt names National Power Policy Committee to draft policy for electric power; Secretary of Interior Ickes named chairman of group.

Flood threatens Ohio River valley.

JANUARY 19—Conference of Secretary of Labor Perkins, Governor Murphy, of Michigan, and John L. Lewis, C. I. O. head, in Washington, fails to end auto strike.

Tear gas used as police clash with pickets at plant of Briggs Manufacturing Company, auto body makers, in Detroit; plant to reopen as quick as settlement is reached, officials say.

Long flood siege menaces Midwest.

JANUARY 20—President Roosevelt inaugurated for second term; pledges government to "solve for the individual the ever-rising problem of a complex civilization"; promises broader aid for "those who have too little."

Buick division of General Motors Corporation closes for lack of materials; 10,000 workers affected.

Federation of Flat Glass Workers ends strike against Libbey-Owens-Ford Glass Company, in Pittsburgh; 7,000 workers will return to jobs.

Bishop Gallagher, of Detroit, dies.

JANUARY 21—Auto peace talks in Washington collapse; both sides see fight to finish; John L. Lewis, C. I. O. head, asks administration to back labor; Flint, Michigan, relief rolls rise.

Floods sweep ten midwestern and southern states; estimate 80,000 are homeless.

New York seamen vote to end maritime strike if strikers in other ports take similar action.

W.P.A. survey reveals nation's relief load has dropped 30% from January 1935 peak.

JANUARY 22—150,000 homeless as floods sweep 12 States; sixteen deaths reported as Ohio River rises to unprecedented heights.

California citrus fruit industry faces $50,000,000 loss in sub-freezing weather.

Alfred P. Sloan, Jr., General Motors Corporation president, charges John L. Lewis, C. I. O. head, with trying to dominate motor car industry by illegality and force.

Senate sub-committee, investigating alleged labor espionage, hears charges that Army and Navy worked with spy service to maintain production in plants filling government contracts.

Professor Roswell Magill, of Columbia University, named Under-Secretary of Treasury.

JANUARY 23—Floods cut widening swath through lower Ohio valley; Army engineers rush to strengthen levees; twenty-six deaths reported; estimate 300,000 are homeless.

General Motors Corporation lists 50 plants closed in strike; reports 125,613 workers idle in 25 cities.

JANUARY 24—Ohio River flood disaster grows; 400,000 are homeless; known dead put at fifty; fire menaces flooded Cincinnati; Louisville half submerged; Federal relief agencies mobilized on "war-time" basis.

JANUARY 25—Whole towns in flight as flood waters rise; Army engineers warn of super Mississippi flood; Cincinnati paralyzed; Louisville under martial law; death toll at 100; 500,000 homeless; aid rushed to refugees.

General Motors Corporation snubs auto parley bid of Secretary of Labor Perkins.

JANUARY 26—Flood crest nears Mississippi; Army engineers inundate Mississippi spillway to ease levee strain.

President Roosevelt rebukes Alfred P. Sloan, Jr., General Motors Corporation president, for refusing conference bid of Secretary of Labor Perkins.

Governor Murphy, of Michigan, declares National Guard not to be used to break auto strike.

JANUARY 27—Ohio River flood recedes; Army engineers strengthen Mississippi levees from Cairo, Illinois, to New Orleans.

Secretary of Labor Perkins asks Congress for more power in dealing with strikes; wants subpoena power.

10,000 Chevrolet employes return to part-time work in Flint, Michigan.

Senate passes $50,000,000 Seed Loan Bill.

JANUARY 28—Tension eases in flood zone; danger past on Ohio River; known dead exceeds 335; 1,000,000 are homeless.

House passes Ramspeck bill to put all postmasters under civil service.

Governor Murphy, of Michigan, refuses protection guarantee to Flint Alliance members seeking to return to jobs in General Motors Corporation plants.

JANUARY 29—Buick division of General Motors Corporation, in Flint, Michigan, calls 6,000 workers for part-time jobs.

President Roosevelt indicates approval of Secretary of Labor Perkins' demand for right to subpoena parties in labor disputes.

Mississippi River rises along 1,000-mile course; Army engineers order evacuation of 150-mile area; known dead 350.

JANUARY 30—General Motors Corporation says 123,724 of 149,249 workers affected by strike support "back-to-work" movement.

Federal Reserve Board announces 33⅓% increase in reserve requirements for member banks, effective May 1.

Rising flood rolls down Mississippi River; engineers fight to save Cairo, Illinois; Red Cross estimates 400 are dead, 572,000 homeless.

JANUARY 31—John L. Lewis, C. I. O. head, in New York, declares J. P. Morgan and Pierre du Pont responsible for auto-strike deadlock.

Ohio valley flood recedes; Cairo, Illinois, levees hold; Louisville, with 207 dead, begins rehabilitation; Harry L. Hopkins, heading party of experts, leaves Washington for flood survey.

West Coast sailors' union calls members for vote on possible end of 94-day maritime strike.

FEBRUARY 1—Twenty persons injured in riot at Chevrolet plant in Flint, Michigan; 1,200 National Guardsmen surround area; newly organized women's emergency brigade aids strikers.

Levees hold as Mississippi continues slow rise; Red Cross aids 774,612 in stricken area; 15,000 W.P.A. workers aid rehabilitation.

FEBRUARY 2—Court orders ouster of "sit-down" strikers from two General Motors Corporation plants in Flint, Michigan; strikers wire Governor Murphy, of Michigan, intention to hold plants.

FEBRUARY 3—Two conferences in Detroit fail to break deadlock in auto strike; strikers hold plants in Flint, Michigan.

Senate passes $948,735,000 Deficiency Bill.

FEBRUARY 4—Auto strike deadlock unbroken; situation tense in Flint, Michigan; strikers continue to occupy plants; special guards sworn in by Flint police.

West Coast Maritime strike ends; union members approve tentative agreements.

FEBRUARY 5—President Roosevelt asks Congress for drastic Federal Court reforms; would increase Supreme Court to maximum of fifteen members if justices refused to retire at seventy.

Progress reported at auto strike conferences in Detroit; Judge Gadola signs writ for arrest of "sit-down" strikers in Flint, Michigan; sheriff to postpone eviction of strikers.

FEBRUARY 6—President Roosevelt's court reforms face fight in Congress; Congress may ask views of Supreme Court justices.

General Motors Corporation's production sharply cut by strike, figures show.

FEBRUARY 7—Elihu Root, statesman, dies.

National Guardsmen held ready in Flint, Michigan, as strike conference nears breakdown; Governor Murphy, of Michigan, hopeful of break in negotiations.

FEBRUARY 8—Congressional leaders seek compromise on President Roosevelt's court reforms; propose possible retirement of two Supreme Court justices.

FEBRUARY 9—Congressional opposition to President Roosevelt's court reforms increases; press compromise.

Governor Murphy, of Michigan, evolves new formula in effort to settle auto strike.

Chrysler Corporation, auto makers, announces new pay rise.

FEBRUARY 10—Auto "sit-down" strike ends; both sides hail victory.

INTERNATIONAL

JANUARY 11—Chancellor Adolf Hitler and French Ambassador exchange pledges to respect status quo in Spain, including Spanish Morocco. France considers episode closed.

JANUARY 12—Anthony Eden, British Foreign Minister, predicts that neither communism nor fascism will gain foothold in Spain.

JANUARY 13—Colonel General Hermann Goering arrives in Rome to work out common German-Italian policy in Spain.

JANUARY 14—Pending enforcement of non-intervention, Germany and Italy to give all possible aid to Spanish rebels; intimate that they may later join a general meeting on European peace.

Premier Blum, in fulfillment of promise to Anthony Eden, introduces bill to prevent recruiting of volunteers for either side in Spain.

Eamon de Valera, President of the Irish Free State Executive Council, and Malcolm MacDonald, British Secretary for the Dominions, hold fruitless discussion over trade war and other differences between the two countries.

Canada and Great Britain reach new trade agreement.

JANUARY 15—By unanimous vote, French Chamber of Deputies grants Premier Blum any powers needed to stop recruiting for Spain.

JANUARY 16—Goering and Mussolini confer in Rome, reportedly regarding revival of four-power pact of 1933, despite tension over Spain and obstacle of Franco-Soviet pact.

JANUARY 17—Soviet Government refuses unilateral ban on recruits to Spain in absence of joint action. *Pravda* and *Izvestia* point to activities of Gestapo in Czechoslovakia, where they suspect new fascist coup under Conrad Henlein.

France to follow conciliatory policy towards Germany, commencing with trade pact and proceeding to arms limitation.

General Franco denies deal to give up Spanish territory.

Trade pact asserted in London to be sole aim of visit to Washington of Walter Runciman, President of English Board of Trade.

JANUARY 19—Anthony Eden, in insistent appeal to Germany, offers economic cooperation if Reich will enter "full and equal cooperation with other countries."

JANUARY 20—French and Turkish Foreign Ministers, at Geneva, discuss agreement on Alexandretta when Syria becomes independent.

Portugal reported adverse to supervisory control of arms shipments into Spain.

JANUARY 23—General Goering concludes Rome visit.

JANUARY 24—Premier Blum offers Germany unconditional cooperation on equal terms, providing that economic assistance is not applied to armaments.

Bulgaria signs pact of friendship with Yugoslavia.

Germany condemns "money bag" policy of England and France.

JANUARY 25—Germany and Italy, in reply to British move, agree to ban aid to Spain if suitable controls are established.

JANUARY 27—League of Nations settles dispute between France and Turkey over Syria, Alexandretta becoming "separate entity."

Greek Government, having dropped plans to purchase war materials from Germany, negotiates for accord with Bulgaria.

JANUARY 30—In speech to Reichstag on fourth anniversary of National-Socialist régime, Hitler repudiates "war guilt" clause of Versailles Treaty, declares end of "surprises"; holds Germany willing to cooperate.

Great Britain disappointed by Hitler's speech, but will push measures for cooperation.

FEBRUARY 1—Poland to fortify German border.

FEBRUARY 2—France votes 19,000,000,000-franc arms outlay to match German rearmament. German military expenditure for 1936–7 estimated at 12,600,000,000 marks.

FEBRUARY 5—Russia rejects plan for naval control of intervention in Spain.

SPANISH CIVIL WAR

JANUARY 12—300 reported killed in rebel air and naval attack on Malaga; Valencia shelled by rebel warships; cold and fog halts fighting on Madrid front.

JANUARY 14—Rebels claim capture of Estepona in drive on Malaga.

JANUARY 15—Loyalists gain in counter-attack at Madrid; rebels slowed in drive on Malaga.

JANUARY 16—Rebels gain in drive on Malaga; loyalists repulse rebel attack on Madrid.

JANUARY 18—Rebels capture Marbella; continue advance on Malaga.

JANUARY 19—Loyalists capture Cerro de los Angles.

JANUARY 20—Loyalists and rebels in fierce fight for control of Cerro de los Angles.

Rebels bomb Malaga.

JANUARY 22—Loyalist planes bomb rebels attacking Madrid.

Rebels to halt and inspect vessels encountered in territorial waters under their control.

JANUARY 23—Madrid heavily bombarded; loyalist counter-attack gains slightly at Madrid.

Rebels advance twenty-two miles toward Malaga; capture Alhama.

JANUARY 24—Rebels shell Madrid; loyalists claim victory over rebels near Malaga.

JANUARY 26—Loyalists beat off rebel attack on Sesena railroad station, south of Madrid.

JANUARY 28—Madrid West Park cleared of rebels in surprise loyalist attack.

FEBRUARY 1—Rebels continue drive against Malaga; semi-circle virtually isolates seaport.

FEBRUARY 2—Loyalists gain in Aranjuez sector; rebels shell Vallecas, Madrid suburb.

FEBRUARY 4—Loyalists gain on Madrid front; rebels capture Ojen in drive on Malaga.

FEBRUARY 5—Loyalists capture Montoro and Villefrance de Corduba, in south; Malaga defenders check rebel forces.

FEBRUARY 7—Rebels reach Las Bolichas beach, fifteen miles from Malaga; loyalists rush re-inforcements.

FEBRUARY 8—Rebels capture Malaga.

FEBRUARY 9—Rebels claim Madrid road to Valencia cut; loyalists say rebels beaten off in bloody battle.

FOREIGN

Canada

JANUARY 28—Judicial Committee of Privy Council holds unconstitutional legislation for unemployment insurance, minimum wages, restriction of hours, and regulation of marketing.

China

JANUARY 12—Government begs Chiang Kai-Shek to settle disturbances in Northwest.

JANUARY 14—Chiang Kai-Shek reported trying to settle dispute with Sian; chief point at stake, cooperation with Chinese Communists.

JANUARY 16—Reports state that General Yang Fu-cheng, Sian rebel chief will pledge loyalty to Nanking in return for undisputed possession of Sian and Southern Shensi province; terms would mean defeat of Nanking clique favoring punitive expedition and abandonment of campaign against Communist advances.

JANUARY 19—Nanking Government reported about to send armed force to Sian, once more rebellious.

JANUARY 20—General Peng Teh-huai, famous Communist leader, reputed at head of Sian rebel forces.

JANUARY 21—Government troops move to surround Sian rebels.

JANUARY 22—Chiang Kai-Shek delivers ultimatum to rebels; war if they do not yield.

JANUARY 23—Ultimatum postponed and negotiations with rebels extended.

JANUARY 24—Rebels reported to have reached agreement with Nanking.

JANUARY 25—Nanking troops continue advance on Shensi.

JANUARY 27—Nanking recalls troops, denying civil war possibilities.

FEBRUARY 8—Rebels yield Sian to Nanking forces.

Germany

JANUARY 11—Commissions to be set up in each community to compel deliveries of grain by peasants.

JANUARY 15—Abolition of Reichstag on January 30 reported probable. Berlin Catholics promise to resist Nazi attacks. Reich mobilizes to collect usable junk.

JANUARY 16—Hitler's SS, or Elite Guard, to provide all recruits for German police.

JANUARY 20—German exports for 1936 showed 12% increase, as compared with 3% gain for Great Britain and slight loss for France.

JANUARY 22—Dr. Hjalmar Schacht, Minister of Economics, honored on sixtieth birthday.

Twenty-seven Catholic bishops defy Nazi move to close Catholic schools.

FEBRUARY 7—Germany able to avert food crisis by purchasing supplies from abroad.

Japan

JANUARY 21—Foreign Minister Hachiro Arita asks for "open door" in world's colonies at opening of Diet.

JANUARY 22—Cabinet votes dissolution of Diet following heated debate concerning Army powers between War Minister Terauchi and leader of the chief minority party; slur on Army charged.

JANUARY 23—In unexpected move, Navy backs Diet against Army.

JANUARY 24—Bureaucratic military cabinet expected.

JANUARY 25—Emperor calls upon Kazushige Ugaki to form a government, but Army chiefs reject choice.

JANUARY 27—Army refuses to cooperate with General Ugaki in forming Cabinet.

JANUARY 28—General Ugaki drops plan to form Cabinet.

FEBRUARY 1—Army wins demands from General Senjuro Hayashi, new Premier-designate.

FEBRUARY 2—Moderate cabinet, under Premier Hayashi, takes office.

FEBRUARY 8—New Premier reassures foreign powers as to Japan's objectives; promises moderate domestic policy.

Russia

JANUARY 11—Soviet military budget for 1937 raised to 20,102,000,000 rubles, an increase of 35.7% over 1936: an answer to "Fascist and Imperialist menace."

JANUARY 19—Karl Radek and 16 others to face trial before military collegium of Supreme Court, on charge of Trotskyist activities.

JANUARY 23—Gregory Piatakoff, former assistant Commissar for Heavy Industry, reveals Trotskyist plot with Germany and Japan to overthrow Stalin regime.

JANUARY 24—Karl Radek confesses plot to sabotage Russian railways.

JANUARY 25—Further confessions of connivance with Germany revealed at Trotskyist trial.

JANUARY 26—Estimated that over 100 new arrests made as result of disclosures at trial.

JANUARY 27—Radek and Piatakoff hold that war on Soviet planned for 1937.

JANUARY 28—Prosecutor asks death sentence for all 17 defendants in trial.

JANUARY 30—Fourteen condemned to death in Trotskyist treason trials; Radek, Sokolnikoff and two others receive ten-year prison sentences.

JANUARY 31—Clemency pleas for sentenced conspirators refused; verdict popular in nation.

FEBRUARY 6—Widespread "purge" of Trotskyists under way throughout nation.

INDEX AND TABLE OF CONTENTS

VOLUME XLV

October, 1936 — March, 1937

This Month's

CURRENT HISTORY

Japan has changed its government, and another stage has been passed in the long struggle between the military and civil authorities, of which Nathaniel Peffer says "compromise is already proving impossible." There are 5,000 miles of deep water between the scene of this bitter conflict and the United States. Yet there are issues involved which have a grave meaning, not only for the Asiatic continent, but also for the Western Powers, in particular the United States. Just what Japan's external conquests and internal conflicts mean for the outside world is discussed in this month's editorial survey, *Japan and the Far East.*

Europe is in no way a happier picture. "Will there be another Great War?" is the question uppermost in everyone's mind. **Emil Ludwig,** the distinguished German author, whose new book, *The Nile,* has just been published, says "yes," emphatically, in *The Coming War.* The bulk of the blame he places upon Germany, even if he does not by any means whitewash the other powers concerned. Mr. Ludwig does, however, make one exception: the only possible means of preventing an otherwise inevitable conflict, he maintains, is the intervention of President Roosevelt. There will be many squawks, both here and abroad at these suggestions, but Mr. Ludwig has marshalled his arguments in an impelling array.

Today, Spain promises to strike the spark setting off the general conflagration which Mr. Ludwig foresees, as foreign nations become more and more deeply involved in what started out apparently as a civil war. What is it in Spain that each power wants so badly? How far will the fascist powers go in their intervention? What part has Russia played? And where do England and France come out of it all? These are the questions that bear on the future, and **Lawrence A. Fernsworth** undertakes to answer them for Americans in *"Foreign Aims in Spain."* For that task he is uniquely equipped, having covered Spain for the New York *Times* and the London *Times* (on which paper he claims the distinction of being the only American-born correspondent) and having been one of the three journalists selected by *The Nation* in its honor roll for 1936.

Another key to the question of intervention in Spain—and consequently to the possibilities of a wider conflict—is the attitude of Portugal. In fact, that country, with its long Spanish frontier, promises to be for the Spanish rebels what St. Pierre-Miquelon was for the American bootlegger. **F. C. Hanighen,** a former European news correspondent, who jarred the world with his *Merchants of Death* (Dodd, Mead), explains why Portugal has so openly flouted her old ally and protector, Great Britain, during the efforts to prevent intervention.

Mr. Walter Runciman, the President of the British Board of Trade and a member of the Cabinet, has been spending a long time at the White House. And no one took him very seriously when he said that the question of war debts was not under discussion. In recent months the French, too, have made gestures. In this month's symposium on War Debts, **H. C. Le Clair,** of C. C. N. Y., presents the background of the problem; **Harry Tipper,** a member of *Current History's* advisory editorial board, surveys it from the point of view of the business man engaged in foreign trade, and **H. Parker Willis,** another member of the board, makes some pertinent suggestions for settling the problem, from the point of view of an economist.

The ambitious drives of Germany in the west and Japan in the east are encountering obstacles. **W. W. Crotch,** the editor-in-chief of the International Press Bureau in Paris and a frequent contributor to these pages, writes of the barricade being erected by the small democratic Baltic nations, led by Finland. As the magazine goes to press, the Finnish Foreign Minister is visiting Soviet Russia, undertaking negotiations further to consolidate the position of the anti-fascist nations. In the Far East Great Britain is feverishly building up the fortifications at Singapore in an effort to forestall Japanese expansion; Ignatius Phayre, also a former contributor, writes of this vital link in the imperial chain.

East is East and West is West, but less so than before. Turkish education is being streamlined—a process described by Harry N. Howard in "Turkey Goes to School." Mr. Howard is the author of *The Partition of Turkey; a Diplomatic History* and *The Balkan Conferences and the Balkan Entente* (University of California Press). In India, the Western conception of socialism is being applied by Mahatma Gandhi's successor. **Krishnalal Shridharani,** author of several books on India, studied at the feet of Gandhi himself and Rabindranath Tagore and writes with intimate knowledge in *A Socialist Succeeds Gandhi.*

To most Americans, Greece is still the land of the classical heroes rather than of such modern figures as King George and Premier Metaxas. **Christ Loukas,** at present preparing a sociological work on the Greeks in America, contributes an objective account of the new régime in Greece. His findings are the result of a recent visit.

There are ten different kinds of currency in the United States. Most people don't mind which kind they get as long as they receive some. And they generally throw up their hands in despair when asked how this complicated system works. **Joseph E. Goodbar,** president of the Society for Stability in Money and Banking and author of *Managing the People's Money* (Yale University Press), clarifies the whole problem in *Misunderstood Money,* for which the perplexed may offer thanks.

TRAVEL

Where History Is in the Making

THERE are bright lights and dancing on the French Riviera, but only a few hundred miles away along the Mediterranean coast in Spain the lights are made by bursting shells and armed men are on the march. For the Mediterranean is a sea of contrasts; its history has been that of the world's favorite playground and its favorite scene of slaughter. It has seen civilization at its best and at its worst.

As far back as the Aegean civilization of more than four thousand years ago, the Mediterranean was the waterway to empire. On its waters and near its shores were fought the world's first great wars. When Alexander carved an empire out of the remains of the Greek Republic on the shores of the Mediterranean he was only following the formula laid down by scores of leaders before him: he who rules the Mediterranean rules the world.

This formula has been pursued in the mad quest for power all through history. The Roman Empire encircled the Mediterranean, and its boundaries corresponded roughly to the limits of the Mediterranean Basin. The sea was treacherous but it was the open highway between the provinces. And from the ports of the provinces were constructed networks of stone-paved roads that enable travelers to average 50 miles a day in districts which a thousand years later were almost totally impassable. Commerce, peace, and prosperity flourished in ancient Rome, and historians are agreed that in all of this the Mediterranean was the key to the power of the Empire.

Adam Smith's *Wealth of Nations*, in recognizing that the world's first civilizations were grouped around the Mediterranean, says that this sea was particularly suited to the interchange of commerce and culture. The smoothness of its surface; its many islands; its lack of tides and consequently of waves except those caused by the wind; and the proximity of the neighboring shores were extremely favorable to the infant navigation of the world. The air is mild and clear of fog or snow. The Mediterranean shores are warm, and the lands are fertile. The harbors are

THE MEDITERRANEAN IN HISTORY: Heavy black lines encircle the boundaries of the old Roman Empire. Dotted lines indicate the same territory as it is divided today.

deep and easily adapted to navigation. Marco Polo was the Mediterranean's first great merchant to capitalize on these natural advantages for trade and commerce.

Bandbox of Death

But the same favorable conditions that have made for the growth of commerce, culture, and civilization have made for war. There is hardly a chapter of Mediterranean history that does not tell, paradoxically enough, of culture and human attainment on one hand and conflict and invasion on the other. The Mediterranean is known as the cradle of civilization; it is also the bandbox of war and death. Hannibal's route of attempted conquest of Rome was through the Mediterranean. Justinian's extravagant efforts at rebuilding the Roman Empire in the sixth century were based largely upon a recapture of the Mediterranean. Not many years after Justinian died, the great sea was again muddied with blood when Mohammed laid the foundations for an empire and a new religion that spread until they surrounded three quarters of the Mediterranean. The Crusades, too, were waged on or near its shores.

Down through history, the story has been the same. Louis XIV, who believed himself chosen as God's vicegerent to guide the destinies of France, fought many of his battles on the Mediterranean. And it was around the shores of this sea that Louis XIV attempted to forge his French world. France's greatest entrepreneur of empire, Napoleon, saw in the Mediterranean the secret of supremacy over Europe. This is the sea that has seen the naval battles of Cromwell and Nelson, the submarine warfare of the World War, and the transport of Italian troops to Ethiopia.

The map of the Mediterranean is still in a process of change. During the last quarter century its boundaries have been rearranged and are widely different from their positions at the turn of the century. France's shore on the Mediterranean remains unchanged, and Italy's coastline is still the same boot, but the World War has radically altered most of the other boundaries. Yugoslavia is now perched in the favorable spot on the Adriatic formerly enjoyed by Austria Hungary. Turkey has been crowded back into the small corner that is the Aegean Sea, while Albania basks

Italian Line

RIVIERA: "There is dancing on the Riviera but only a few hundred miles away in Spain armed men are on the march."

in the sunlight of Turkey's former position on the Adriatic.

The map on the southern shore has also undergone some revision. Tripoli owed its allegiance to Turkey twenty-five years ago; today, it has gone the way of Ethiopia—the Italian way. Egypt, too, passed out of the Turkish frying pan into what it claimed was an English fire. Spanish Morocco hangs by a thread while the mother country is bleeding herself out of existence in making way for a puppet state. Tunis, which France annexed in 1881, has been jealously sought by Italy ever since.

Even the islands of the Mediterranean, which H. A. Taine once described as "a marbled mass" have changed—in ownership and circumstance—if not in outline. Italy now occupies the Balearic Islands, and Great Britain, which only a few years ago considered the Mediterranean as her private pond, is seriously worried lest Italy will cripple her access to her colonies.

With Gibraltar fortified by Great Britain at the entrance to the Mediterranean, England could be reasonably certain of closing up the

opening to the Atlantic. But what about the Mediterranean itself? The lifelines of Great Britain stretch across the Mediterranean to the East. And what about the route to India? Or Egypt? The British possession of Malta, which would nominally be the English military station in the middle of the Mediterranean is less than one hundred miles from the Italian bombing bases in Sicily. It would appear, therefore, that Britain must look to new islands or shore posts for naval bases in the Mediterranean.

Spain and the Mediterranean

Recently, it appeared that the Mediterranean map would be scrambled all over again as the result of the French-Turkish dispute. But though that argument was resolved, there is still the more imminent danger presented by the Spanish conflict. Even should the forces working for peace succeed in keeping the Spanish madness from spreading to all Europe, a victory for either Francoists or Loyalists would preface a reward to the intervening nations making victory possible. In this way, Spanish Morocco and several small Mediterranean islands would be placed under other flags.

In the event that the Spanish war should spill over and engulf all Europe and possibly the world, history can look forward to a greater realignment of borders than it has ever known.

Whether the world will see another empire encircling the Mediterranean is a question that can be answered only by the course of history. Unanswered, too, must remain the question as to which of the two political philosophies now heading for the Great Conflict will survive to erect that empire.

The Mediterranean is today, as it has been through history, the world's most important, most vital, and most beautiful sea. Its mild waves touch the shores of lands inhabited by Frenchman, Italian, Spaniard, Arab, Greek, Jew, Moor, and Egyptian. The entire cavalcade of civilization is written in its history.

An Historic Trip

The Mediterranean traveler today, in planning his tour on the basis of points of current and past historic interest, sails through the Straits of Gibraltar to view the giant rock shaped like a lion whose head, as Gautier said, "is turned toward Africa which it seems to regard with dreamy and profound attention."

This is the rock that has been a fortress for many states and many empires. It changed hands among the Moors, Spaniards, and Castilians several times until 1704 when it was annexed by Great Britain, in whose possession it has since remained. Gibraltar has a population of approximately 20,000, made up of the peoples of almost every Mediterranean country. On the western slope of the mountain live representatives of almost 40 civilizations; the eastern slope has little habitation except by fishermen at Catalan Bay.

The Legend of Malaga

Sailing up the north shore of the Mediterranean, one views Malaga, one of Spain's most beautiful seaports and second in importance only to Barcelona. Malaga is believed to have been founded and named by the Phoenicians, and the legend is that it was in this city that the golden apples grew in the Garden of the Hesperides, guarded by the dragon that Hercules slew. Today, the natives are still talking about slaying, but not in a legendary sense. All too real have been the recent Rebel attacks on Malaga by sea and air. For the insurgents have stamped their initials of war on this seaport and its surrounding countryside.

Passing Cartagena and heading eastward, the voyager comes to the Balearics, a group of sixteen islands approximately one hundred miles off the Spanish Coast. Majorca (spelled Mallorca in Spanish) is most popularly known of the entire group and has often been called "Paradise at a dollar a day."

The Balearics form the apex of an almost equilateral triangle from Valencia and Barcelona. These two cities, among the most beautiful in the world—in peacetime, at least—seem to symbolize Spain itself. Spain in commerce and culture, in war and peace, is mirrored in the history of these ports. It is here that the whole of Spanish civilization has been shaping and coalescing down through its history. And the future of these two cities is the future, perhaps, of Spain. Valencia, now the Loyalist capital, is the last line of defense against the forces of Franco. And Barcelona, chief city of the now autonomous Catalonia, holds the secret to a unified Spain, whether under insurgent or Loyalist rule.

Neither Valencia nor Barcelona has yet been scarred by cannon in the current conflict. But not far inland the instruments of war are negating hundreds of years of Spanish civilization and culture. A once proud and beautiful country has become the private battlefield of ambitious dictators.

Armed men are on the march again in Spain and the sky is lit by bursting bombs. But only a few hundred miles away along the shores of the Mediterranean, sea of contrasts, the Riviera is brightly lighted and there is soft music and dancing.

HERE AND THERE

THE American University at Beirut celebrates its seventy-first anniversary this year. The university, which is said to have one of the finest campuses in the world, is a favorite Mediterranean station for American visitors who like the "home" touch. Beirut faces a harbor that is comparable with Naples in beauty and has a background provided by the snow-capped Lebanon Mountains with their blue-black cypress and cedar trees.

Natives of Tibet are the heaviest tea drinkers in the world, the number of cups per day for each individual averaging 40 or more. Hot water and tea leaves are only part of the drink, for the Tibet citizen believes in adding salt, butter, and soda. The world's largest tea bush is growing at Badulla, Ceylon. It is 24 feet in diameter and 67 feet in circumference.

Germany is planning for a banner year in music. Berlin will have symphony and choral concerts, festivals, operas, palace concerts, and serenades as part of its "Berlin Arts Weeks" in April and May. The Wagner Music Festival will be held at Bayreuth from July 23 to August 21. The Festival will open with the presentation of Parsifal, followed by Lohengrin, Rheingold, Walkure, Siegfried, and Gotterdammerung.

The Eiffel Tower is to become a pillar of electrical fire, with thousands of lights, in addition to being the world's largest flagmast, when the Paris Exhibition opens. The fire display will appear as a single shaft of silver piercing the sky. A cataract of fireworks will be set off from the summit and the climax will come as the tower is transformed into the French tricolor of blue, white, and red.

After ten years of study Rome is to have an underground railway. Work will begin on the first three trunk lines shortly and the lines will be in operation by the end of 1940, in time for the "Universal Exhibition" the following year. A section of the route cuts along classical sites, and arrangements have been made for archaeologists to make observations during the underground engineering.

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The World in Books

(*Continued from page 12*)

depression or recovery whose answer is a figure or a definite fact that is not covered in the report. It deals with production, money, wages, employment, unemployment, exports, imports, commerce, international trade, and more than a dozen other economic factors. The book is a reference work of definite value.

Miss Davis has concerned herself with the significance of the depression and recovery for those of her countrymen who were forced to look to the Government for their subsistence. She has made no effort to write a scientific, scholarly survey, but looking at the problems of unemployment and relief as a layman, she has attempted to penetrate clear to the heart of the problem: not the question of what the aggregate relief bill of the nation amounts to, but whether Mr. and Mrs. John Jones and Junior can keep body and soul together on their relief allowance, and Mr. Jones' chances of finding some work—*real* work.

Miss Davis is a flesh-and-blood writer who has no patience with governmental incompetency, hesitation, or fumbling in the administration of relief. She believes that labor exchanges, after the systems so successfully in operation now in Great Britain, should be established as one of the first steps toward combating unemployment. She advocates compulsory unemployment insurance, and a planned relief program modeled on the type of the Swedish system, which maintains a central commission with authority for finally approving or rejecting various schemes originating in the local communities.

MISCELLANEOUS REVIEWS

Roosevelt to Roosevelt by Dwight Lowell Dumond is a comprehensive and exhaustive history of the United States during the twentieth century. Thoroughly progressive and written in the spirit of an enlightened democracy, *Roosevelt to Roosevelt* outlines the economic, social, and political trends since the turn of the century, as seen against a background of American history from the end of the Civil War to 1900.

Dr. Dumond, associate professor of history at University of Michigan, deals extensively with different interpretations of American democracy, administration of law, the World War, rugged individualism, the growth of corporations and the unionization of labor, the farm problem, the Supreme Court, and the recent Presidential election.

Indians in History

John Pitts Corry has succeeded in *Indian Affairs in Georgia 1732-1756* in presenting an interesting picture of the pre-Revolutionary War developments in one of the largest territories on the American continent. Mr. Corry's emphasis is placed on the part played by the Indians in the wars fought by England, France, and Spain for the possession of the Southern regions. The Indian was the "keystone" for the rival ambitions of these countries. Only England succeeded in its ambitions for expansion, made possible only because the Georgia settlers were able to win the confidence of the Indians in those early years.

A Year's Record

A unique and enterprising work is *In 1936*, by Alvin C. Eurich and Elmo C. Wilson. The book is a well-written and valuable compendium of the happenings, big and small, during the past year. Its topics include politics, economics, foreign relations, business, art, literature, science, sport, and education. As a reference work it will be of definite use to those who need accurate information and need it quickly.

History

A. M. Sakolski and M. L. Hoch, the authors of *American Economic Development* address their book to the general group of serious readers, although the work is intended primarily for college use. Dr. Sakolski and Mr. Hoch have chosen the topical form for their method of presentation, clearly a benefit to the lay reader.

The evolution of our economic institutions has created the need for a sound, clear-cut explanation of its importance and its meaning. This the authors have done, competently and comprehensively. Economic problems and policies of today have their roots in the broad development of this country's history. It is in the analysis of this development that Professor Sakolski and Mr. Hoch show remarkable scholarship and a thorough knowledge of our economic history.

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APRIL 1937

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N. B. COUSINS
Literary Editor

THE WORLD IN BOOKS

(This month's *The World in Books* is devoted to a history and discussion of the university presses. The May issue will feature a review and list of spring non-fiction books of particular interest to *Current History* readers.)

PHILOSOPHIZING on the world of books, Clarence Day once observed that a great university should be proud to go into publishing. It is in this field, he said, that universities could distinguish both books and themselves. Today, more than a tenth of the nation's 200 publishers are universities which are distinguishing themselves according to the Day definition. And it is noteworthy that one of them, Yale University Press, is headed by George Parmly Day, Clarence Day's brother.

Twenty-five years ago few universities put out books under their own imprints. But the university press has had such a rapid and healthy growth that it is probably the most notable development in publishing since the turn of the century. The presses have not restricted themselves to highly specialized works but have made use of their natural advantageous facilities to publish books of wide and lasting interest; one of them, Cambridge, which has an American branch, is publishing a novel this spring for the first time in its 400 years' history. Without attempting to compete with the commercial publishing firms, the universities have proceeded on the theory that scholarly books do not necessarily have to be dull; that a work can be authoritative and understandable; and that there is definite value in the spread of knowledge. Most important of all, perhaps, is the underlying principle that the test of a good book is not how much money it will make but what it says. The function of university presses is not to make profits--few do--but to publish books that need to be published.

Despite its comparatively recent development in this country, book publishing by universities as a regular phase of their work is even older than the invention of printing. There are records showing that as early as 1276 there were university "stationers" who "publicly avouched the sale of staple-books" and who sold copies of approved texts to university students. The first book printed by Oxford University is the rare *Commentary on the Apostle's Creed* attributed to St. Jerome and bearing the date 1468. And Cambridge University put out its first book in 1521 on a press set up by John Siberch, the friend of Erasmus. Desiderius Erasmus, incidentally, has been credited with the patronage under which Cambridge first began to print its books. In addition to being a great scholar, Erasmus was a discriminating beer drinker and often complained about the poor quality of the college brew, and though he also felt slighted by the slack attendance at his lectures, and disliked the boorishness of the townsmen, he stayed at Cambridge long enough to launch its publishing career.

Oxford and Cambridge, both of which have regular branches in this country, reflect in their parallel history the entire history of publishing in the English language. The early books of these presses were, for the most part, Latin classical and theological works. Sixteen books of these categories are known to have been printed by the press at Oxford between 1466 and 1486. After this last date, the press suspended operation and with the exception of a two-year period did not resume publishing until a century later. Cambridge had a somewhat similar history. Erasmus published his great *De Conscribendis Epistolis* in 1521, and Cambridge also published that same year the Latin translation of the sermon preached in London by John Fisher, Bishop of Rochester, on the occasion of the public burning of Luther's works. Henry VIII granted Cambridge a charter in 1534 to "elect three stationeers and printers or sellers of books, residing within the University . . . to print books of every kind that have been approved by the Chancellor," but there is no record of any books being printed at the university for fifty years after this date.

This publishing lull during the heart of the sixteenth century by both of the great university presses was in a large measure due to the rivalries and theological controversies of the time. A Stationers' Company searched the London printing houses for manuscripts which might show leanings towards the "heresies of puritanism"

Left, insignia of Oxford University Press; right, insignia of Cambridge University Press.

and on one of their rounds attacked Thomas Thomas, Cambridge's printer, and seized his press and furniture.

The disputes with the stationers subsided, at least for a while, and both Oxford and Cambridge resumed operation in the 1580's and have been in almost continuous activity ever since. Oxford lent Joseph Barnes £100 to start up the university presses and the Chrysostom, the first book in Greek to be printed at the University, was published in 1586. Cambridge made history with Thomas Thomas' famous Latin Dictionary, which went into ten editions within 23 years.

By the close of the seventeenth century, the modern history of both presses had already begun. Oxford had already published Bacon's *Advancement of Learning* and Burton's *Anatomy of Melancholy* in English. Captain John Smith's *A Mappe of Virginia* was one of the first books published about America. John Fell, Dean of Christ's Church, had been the dominating force in the growth of the press. He personally underwrote its costs, supplied it with many founts of type, established a type foundry, and most important, perhaps, protected it against the stationers, its powerful rival. Dr. Fell had also assisted in setting up a paper mill at Wovercote, where Oxford paper is still made. And the printing of the Bibles, for which Oxford is best known, began during the latter part of this century.

Cambridge's seventeenth century history, too, is notable for its Bible publishing. Privileged by the royal charter to print Bibles and prayer books, as was the Oxford Press, Cambridge issued its first editions of the Authorized Version and of the Prayer-Book. In 1698 Richard Bentley, scholar, critic, and Master of Trinity did for Cambridge, at least in a typographical way, what John Fell did for Oxford. Dr. Bentley imported new and beautiful types from Holland; new presses were set up, and the university took strong recognition of the importance of good typography and printing. Not many years later John Baskerville's *Bible*, described as "one of the most beautifully printed books in the world" appeared under a Cambridge University imprint.

The eighteenth and nineteenth centuries saw expansion and specialization of the two presses. Oxford took over the Clarendon Printing House and the Bible business had a tremendous growth. Toward the end of the nineteenth century Oxford introduced a new type of paper whose quality and opacity have never been equalled. The secret of the manufacture of this special type of paper, especially adaptable for Bibles, has been carefully guarded. Today, its formula is said to be known to only three living persons. Not long after the introduction of Oxford India paper the press began the publication of the famous *Oxford English Dictionary*, one of the most competent, thorough, and comprehensive studies of the English language ever published.

Meanwhile, Cambridge had been exploring and conquering new horizons. The well-known Pitt Press Series, which was destined to give Cambridge leadership in text-book publishing was begun in 1875. Containing annotated editions of Greek, Latin, English, French, and German classics, among others, the series has expanded until it now includes more than 300 volumes. Familiar to modern schoolboys are the *Algebra* and the textbooks on geometry of the late Charles Godfrey and A. W. Siddons. Another series, started in 1877 and widely used in universities as well as in high schools, is the *Cambridge Bible for Schools*, in which editions of all the books of the Bible are included.

The recent histories of Oxford and Cambridge have been equally distinctive. During the World War, Oxford placed its facilities at the disposal of Great Britain and printed the valuable official documents of the Naval Intelligence Department with speed and complete secrecy. The *Cambridge Modern History*, whose aim was to "record in the way most useful to the greatest number the fulness of the knowledge" which was the legacy of the nineteenth century, was completed in 1912 after a decade of work in which "many universities and two continents were ransacked for contributors." The *Cambridge Medieval History* and the *Cambridge Ancient History* are based upon a similar plan; when completed, they will link up with the *Modern History* to form a complete history of the civilized world from the remote beginnings down to 1910. Oxford's texts began in 1900 with the Classical Text Series, now numbering 79 volumes. Seven years later the *Medical Publications* were started.

The presses of both universities have branches and are represented throughout almost the entire world. Oxford has offices, besides London, in New York (its largest branch), Edinburgh, Toronto, Bombay, Calcutta, Madras, Capetown,

Melbourne, Glasgow, and Shanghai. Cambridge is represented in this country, Canada, and in India, by the Macmillan Company. In their turn, both Oxford and Cambridge represent presses of American universities in Great Britain, and, in some cases, in the Dominions. Each of the English presses has published an approximate total of 10,000 books.

Unlike a number of American universities, Oxford and Cambridge have no endowments. Oxford has no shareholders, nor private interests of any kind. But like most presses of American universities, the English presses have published works foredoomed to monetary loss but which have done their share in contributing to the sum total of human knowledge and which, in many cases, have opened new fields and made possible new discoveries. The *Oxford English Dictionary*, a series of ten volumes, for example, was completed in 1928 at a cost of $1,500,000.

The American Presses

When the Oxford University Press first established its branch in New York as a regularly incorporated publishing firm in 1896 with a history more than three times as old as the United States, there were only a handful of universities engaged in the regularly organized business of publishing.

The pioneers were Johns Hopkins, whose press was established in 1878; Chicago University, 1892; Columbia University and the University of California, 1893. Before these dates, however, a number of universities had issued their own books or journals, though not in the form of regular university press publications. Dartmouth College, for example, in 1819, published an account of the historic *Dartmouth College Case*, made famous by the decision of Chief Justice John Marshall. Similarly, the University of Minnesota issued the first report of the Geological and Natural History Survey of Minnesota in 1872, inaugurating a series which under various titles has been continued to the present day. Organization of the press, however, was not completed until 1927.

From the turn of the twentieth century until 1925 the development of university presses was centered almost entirely in the East. Princeton's publishing career was launched by Charles Scribner in 1905; Yale founded its press in 1908 under the leadership of George Parmly Day, who is still president; and Harvard's press, established in 1913, grew from a printing office started forty years earlier. The pioneer in the South was North Carolina, which started its press in 1922.

The period of greatest growth in numbers of university presses was between 1925 and 1930 when seven schools, representing all sections of

Left, insignia of The Johns Hopkins Press; right, insignia of Duke University Press.

the country, went into the publishing business. Stanford University organized its press in 1925 through an expansion of its extensive printing and binding plant, which had already produced and distributed a few books. One year later Duke University, which had already been publishing books and the Trinity College Historical Society Papers since 1897, formally established a regular press division. And celebrating their tenth anniversaries this year are the universities of Minnesota and Pennsylvania. Although Pennsylvania's press was incorporated in 1920, it did not actually begin to function as such until seven years later. By the beginning of the thirties, Oklahoma, Michigan, Cornell, and Iowa had entered the publishing field. The most recent additions to the university press list are the universities of Louisiana and Iowa, the publishing division of the latter school being known as the Collegiate Press.

Not all universities came by their presses in like manner. Some came into being as the direct result of the inspiration, energy, and impetus lent them by a single individual. Charles Scribner, of Princeton, not only organized and directed the press, but gave it a building and most of its equipment. The University of Chicago Press was the favorite project of William Rainey Harper, first president of the university, who believed that a university was inadequate without a "voice" to carry to the world the results of original research which went on within its walls. Similarly, Dr. Nicholas Murray Butler, then a Professor of Philosophy, drafted the report of a committee in 1890 urging the establishment of a publications division at Columbia University. And Dr. Seth Low, president of the university, made a personal contribution of $10,000 in 1895 to provide the capital needed to launch Columbia's press. Dr. Arthur Twining Hadley, in reviewing his administration as President of Yale University, said that "the thing on which I look back with most satisfaction is the development of the publishing work of the university and the recognition it has obtained throughout the world." His successor, Dr. Frances R. Angell, added that this recognition "is a source of satisfaction to the university

and must be a source of pride to all of Yale's graduates and other friends."

The publishing programs of many of the presses are subsidized from the general university or alumni funds, or are publicly or privately endowed. The Cornell University Board of Trustees voted the press an annual subsidy of $5,000 for five years. The University of Pennsylvania Press was stalled in its early attempts at publishing because of a lack of capital and it was not until the press was included as a regular division of the university with an annual budget that it was able to operate on its present scale. The presses at Harvard, Yale, Michigan, California, North Carolina, Oklahoma, and Minnesota are chief among those which also function as regular departments of the universities. California has outright publishing subsidies for the results of original research by the faculties of the seven schools within the university.

Many of the presses place their books in two broad categories: those which are specialized and have a limited appeal, and those which address themselves to a more general audience. Under its new management, Harvard, while maintaining its scholarly studies and its official publications, expects to emphasize two classes of books: (1) major works of scholarship in all fields; (2) "borderline" books, which combine maturity of thought and learning and accuracy of statement, with wider general appeal. Chicago lists its books in four categories, the first two of which coincide roughly to that of Harvard; the remaining categories include books of pedagogical theory and text books in modern format, and the proceedings and reports of learned organizations and societies. California will subsidize its specialized books and select its general books on their sales potentialities and pay royalties to authors. Whatever profit Princeton may make on books which enjoy a good sale are used for publishing works which "contribute to scholarship and learning." Yale's list is divided into general, semi-specialized, technical and specialized, and text books. It is noteworthy, too, that Minnesota has "sought to make scholarship less forbidding; to bridge the gap between the specialist and the layman."

Selection of manuscripts for publication is usually made by an editorial committee or council. Chicago has a Board of University Publications, a body of thirty-three, representing all the departments of the school, which must approve all publications. Oklahoma requires each manuscript to have two separate readings before determining acceptance. A Council's Committee on Publications of Yale University passes on every prospective volume. Members of Princeton's

Some Books You Will Be Glad to Know About

INDUSTRIAL RELATIONS IN URBAN TRANSPORTATION by Emerson P. Schmidt describes a "middle way" in industrial relations, as successfully practised for nearly fifty years by the union in one of the more important public utilities. (*$3.00, University of Minnesota Press*) This is an accurate and readable history of street railways, dealing with technological, financial, regulatory, and labor aspects. Attention is given chiefly to labor problems and unionization in the industry. The characteristics of transportation work and the type of men attracted to it are carefully analyzed, and a chapter is devoted to the late nineteenth-century conditions that gave birth to unionism.

ANOTHER important book, also from the *University of Minnesota Press*, is MEN, WOMEN AND JOBS: A Study in Human Engineering by Donald G. Patterson and John G. Darley ($2.00). Basing their recommendations on reliable tests of vocational aptitudes, the book points the way to better vocational guidance and re-education, and to their use as weapons against unemployment. As one reviewer has said, it is a "pithy, convincing, brilliant exposition of the new scientific emphasis in occupational investigation. It should be required reading for every student of vocational guidance, vocational education, industrial psychology, economics and sociology."

THREE timely and important titles have been added to the *Day and Hour Series* published by this Press. The Series is made up of brief, readable, inexpensive pamphlets on affairs about which everyone wants to be well informed. Each pamphlet is the work of an authority on the subject treated. The latest publication, by Arthur W. Marget INFLATION, INEVITABLE OR AVOIDABLE? (25c) has met with immediate success and there will be an equal demand for Joseph Ralston Hayden's PACIFIC POLITICS (25c) and PEACE OR WAR (50c). The latter is a symposium by ten contributors and is edited by Harold S. Quigley.

PIERRE CRABITÈS does not believe that the Spanish civil war can be interpreted simply in terms of the modern conflict between Communism and Fascism. Such an obvious reduction to economic terms, is a distortion of the truth that leaves untouched the real basis of this tragic conflict. In his latest book, UNHAPPY SPAIN, ($2.50, and published by the *Louisiana State University Press*) the tragic plight of Spain is placed in its historical setting. Spanish history is traced from the reign of Ferdinand VII to the present time, so that civil warfare is seen not only as a manifestation of this troubled period in modern history, but as the culmination of a long chain of circumstances arising from the very character and temper of the Spanish nation. Both the analyses of the book and the style in which they are presented are penetrating. The facts and the conclusions drawn are based on the author's long study of Spanish history, and his personal contacts with the Spanish people. Readers of *Current History* are, of course, familiar with Judge Crabitès' articles which have appeared in this magazine. The same Press has just announced for publication Walter Clyde Curry's SHAKESPEARE'S PHILOSOPHICAL PATTERNS ($2.50). The book will appear early in May.

IN RECENT months there has been much discussion about the true position of the Supreme Court under American democracy. In DEMOCRACY AND THE SUPREME COURT ($1.50, *University of Oklahoma Press*) Robert K. Carr has written a book for the average citizen, to reveal fully the power as well as the responsibility which now rests upon the shoulders of the nine men who make up the United States Supreme Court.

DESERTS ON THE MARCH ($2.50) by Paul B. Sears was acclaimed long before the author received one of the Book-of-the-Month Club Fellowships for his book. "A fascinating book . . . deserves to be classed as literature"; "gracefully written, witty and epigramatic, but with all the suspense and climactic punch of a good play"; "it reads as easily and excitingly as a well wrought novel"; "a rare find," are but a few of the enthusiastic comments which followed its publication. Dr. Sears is busily at work on his new book, THE LIVING SYMPHONY, which deals with the relations of man, plants and the soil. It will come out in the early Autumn.

ANTONIO LÓPEZ de Santa Anna was the "child of destiny" of the Western World. More than any other man in his time, it could be said that Mexican history revolved about him, for he was the supreme political and military character of Mexico during the first three decades of its national history. In the larger fabric of history he will be remembered as the central Mexican figure in both the War for Texas Independence and the War between Mexico and the United States. His story has been brilliantly told by Wilfrid Hardy Callcott in SANTA ANNA, The Story of an Enigma Who Once Was Mexico. ($3.00)

ANOTHER important book, also published by the *University of Oklahoma Press*, is Arthur B. Adams' NATIONAL ECONOMIC SECURITY ($2.50) which differs from those works on economics which pretend merely to describe things as they are. The author has wide experience in economic affairs and commands knowledge of theory and practice, a knowledge which he uses in this book in an attempt to discover policies which should be adopted to bring about a secure and decent way of economic life in the United States.

Left, insignia of Princeton University Press; right, insignia of Columbia University Press.

committee, which functions in a like manner, are elected for a period of five years, their terms expiring in rotation, one at the end of each year. Harvard has a Board of Syndics, consisting of seven members, in addition to Dr. Dumas Malone, the present Director.

Generally, university presses do not confine the acceptance of manuscripts for publication to members of their own faculties. In fact, many presses have been known to publish works of authors who were affiliated with other universities which also maintained press facilities, as when Yale publishes the writings of a Harvard man, and vice-versa. Of primary concern to the press is whether a work has definite merit. The general policy of Duke University is "to publish anything by anybody which, in the judgment of the Editorial Board, deserves publication." And though Minnesota draws heavily from the university itself for its publications, its policy has always been cordial to outsiders. However, some university presses, of which Michigan is the most outstanding example, publish books whose authors are usually members of the faculty or alumni, or who are connected in some way with the school.

Many university presses have had the experience of publishing the scholarly, but unsalable, work of a professor only to find that when he has written a book which may have a more popular appeal he will give the commercial press the benefit of its sale. Whether the professor is justified in ignoring the press which virtually supported his scholarly books is a matter of opinion. Norman V. Donaldson, director of the Yale University Press, recently told representatives from other presses that he did not believe a professor should be expected to publish through his university outlet unless that press can offer him as good or better facilities than he might be able to obtain from a commercial press. No better illustration could be cited of a university book that had the advantages of good merchandising and a good sale than Yale's *Sweden: The Middle Way* by Marquis W. Childs, a national best-seller and one of the books chosen by *Current History's*

Literary Advisory Board on the list of the ten most outstanding works of non-fiction in 1936.

It is significant that many of the university presses have improved, and are improving, their sales and distribution facilities. A cooperative mailing list containing almost 200,000 educational names is maintained at the University of Chicago. These names are classified according to subjects and offer the publisher of any scholarly or specialized book ready access to a prospective market. Ten university presses—Oxford, Columbia, Chicago, Stanford, Yale, Oklahoma, Minnesota, California. Harvard, and Louisiana—are members of the National Association of Book Publishers and pay dues ranging from a minimum of $125, depending upon the size of their lists. Five of these presses—Stanford, Oklahoma, Minnesota, California, and Louisiana—are subscribers to University Books, in New York, a sales agency which also represents Duke, Dartmouth, and Michigan. A number of presses, including several mentioned above, have made joint publication arrangements with the Oxford University Press. Oxford also represents and publishes books of American universities in England. Among the presses subscribing to this service are Yale, Princeton, and Pennsylvania. In the same way, Chicago, California, Duke and North Carolina are represented by the Cambridge University Press in Great Britain.

"Best-seller," as applied to university press books, requires a definition of its own for a public that has been conditioned to best-sellers in terms of hundreds of thousands or millions of copies and which measures sales by *Gone With the Wind* yardsticks. The 21,000 copies sold by *Sweden: The Middle Way* may seem pale when set alongside the robust total of 2,000,000 avalanched by Miss Mitchell's novel, but Mr. Childs' book is considered to have had a very fair sale for a non-fiction book. Most serious books, even those published by commercial firms, seldom reach the figure set by Mr. Childs' book; a 2,000 total is considered good. The sale of university books is largely dependent upon whether its prospective audience is large or small. Thus a book may be of such a topic that it could be of interest to a maximum, say, of 2,000 people in the field. The work achieves a sale of 50 per cent of its potential market. Yet it is not fair to say that its 1,000 total would mean that the book did not sell well. The work fulfilled its purpose; it placed in the hands of those who could profit most thereby, the result of special research in a certain field. The University of California sold out the 2500 copies it printed on *Termites and Termite Control* within nine months and considered the book successful,

Left, insignia of Yale University Press; right, insignia of Harvard University Press.

which it was. If all universities were to publish books according to whether they would make "best-sellers" in the commercial sense of the work, it is certain that most of the valuable contributions made by the presses would die unborn.

A number of university press books having a fairly popular appeal has made excellent sales records. *Wah'kon-tah: The Osage and the White Man's Road*, by John Joseph Mathews, published by Oklahoma in 1932, and a Book of the Month selection, sold 45,000 copies. North Carolina's leading sales title has been the *Citizens' Reference Book*, a two-volume work for the use of adult illiterates now selling for fifty cents a volume. The sales on both volumes total 50,000 copies. The *Columbia Encyclopedia*, 1900 pages and 5,000,000 words, at $17.50 has sold more copies than any other book ever published by the Columbia University Press.

University press publishing today is a million dollar industry. Princeton, with an average of slightly more than only fifteen books issued each year, has a volume of business which in the past five years has averaged more than a quarter of a million dollars, and has over sixty persons on its payroll. Columbia University with a list totaling 1500 books has a staff of 53. Harvard's publications number more than 1600 titles, 74 of its books having been published last year. The University of Minnesota, which, incidentally, has the only woman director of a university press in the United States, started off with a volume of business amounting to hardly more than a few hundred dollars a year. Within a few years its sales rose to a thousand dollars a month and have been steadily increasing, with the exception of one year during the depression. The University of North Carolina reported that its $64,000 sales total average for 1934–35 was twice as much as the previous two years. And in outlining its plans for the future, which include an extensive eight-point program, this press estimated recently that it would need $100,000 to put the program into effect.

Few university presses are concerned with profits in the publication of their scholarly works.

Scholarship, the end result of research, receives its own reward in the degree of success it achieves in advancing its own particular field of knowledge. Thus, Chicago University, in publishing *Ancient Egyptian Paintings*, believed to be the most costly and elaborate art publication ever produced, considered the magnificence of the work of greater importance than any monetary return. This three-volume set contains 104 reproductions from paintings still in existence on Egyptian tombs, temple walls, and ceilings. The price of $75 a set would not even cover the cost of manufacture, excluding the artist's and editorial work. Columbia University Press spent years in the preparation of the works of John Milton—the first time that a complete edition of the great poet's works had ever been published. Nor did the press spare any effort or expense in the preparation of the amazing one-volume *Columbia Encyclopedia.* Harvard has published books in more than 40 scholarly series. And since 1933, the *Loeb Classical Library* has appeared under a Harvard colophon, some 300 volumes in the library having been published by the university. The modern English translation of Newton's *Principia*, considered the most important scientific book ever written, was published by the University of California Press, which also distinguished itself in publishing the discovery of the anti-sterility Vitamin E by Dr. Herbert M. Stevens.

There are numerous similar instances. Stanford's list of group titles includes the Hoover War Library Publications (twelve volumes) and the *Stanford Books on World Politics*. Yale University published Charles M. Andrews *The Colonial Period of American History: The Settlements* which was awarded the Pulitzer Prize in 1935. Johns Hopkins, in confining its publishing activities to scholarly works, issues no fewer than 27 separate series as well as several journals. Probably the most spectacular publication of the University of Michigan was never offered for sale but was distributed to the leading libraries of America. This was the group of Biblical manuscripts in the Freer collection, now deposited at Washington. The University of Oklahoma considers Paul B. Sears' *Deserts on the March*, which has determined, to a large extent, the government's policy toward soil conservation, one of its most outstanding works. And no mention of works of fine scholarship and research would be complete without the University of North Carolina's two monumental works: *Culture in the South*, a symposium by 31 authorities, and Howard W. Odum's *Southern Regions*. There is little question that

(Continued on page 127)

LOG OF MAJOR CURRENTS

Court Issue Clarified

PRESIDENT ROOSEVELT was candid to the point of bluntness in his Victory Dinner speech of March 4. He left no doubt as to what his Court revision plan implied or why he wanted it put into effect at the earliest possible moment. Without apology or explanation, he substituted the idea of political expediency for that of academic reform. Since the Supreme Court was standing in the way of his program, he had provided a scheme to make the Supreme Court over, and that was that.

The Victory Dinner, which was gladly attended by some 1800 Democrats at $100 a plate, furnished an auspicious setting for the President's pronouncement. It gave him an opportunity to remind those present not only of the Party's unprecedented triumph, but of his obligations and commitments.

"We are celebrating the 1936 victory," the President declared. "That was not a final victory. It was a victory whereby our Party won further opportunity to lead in the solution of the pressing problems that perplex our generation. Whether we shall celebrate in 1938, in 1940, and in 1944 as we celebrate tonight will deservedly depend upon whether the Party continues on its course and solves those problems. And if I have aught to say, it will continue on its course and it will solve those problems."

Having set up this obviously political premise, and having remarked that the present is an age of speed in which people not only expect but insist that things be done quickly, President Roosevelt proceeded to charge the Courts and "defeatist lawyers" with an obstructionist attitude. He blamed them specifically for blocking economic recovery, agricultural readjustment, and flood control. He explained how the Democratic Party had both promised and tried to raise wages, help farmers, and protect small business men.

"But," he said, "I defy anyone to read the opinions concerning AAA, the Railroad Retirement Act, the NRA, the Guffey Coal Act and the New York Minimum Wage Law, and tell us exactly what, if anything, we can do for the industrial worker in this session of the Congress with any reasonable certainty that what we do will not be nullified as un-

United Features Syndicate, Inc.

VICTORY WITHOUT PEACE

constitutional." Thus the President accepted the challenge of an apparently determined and growing opposition. His appeal for support of the Court revision plan was direct and forceful. It brought lusty cheers from the great dinner party which he addressed in person, but the country's reception was less one-sided, if not less noisy.

Little change in public opinion was evident the morning after. As far as one could make out from editorial comment and broadcasting plans, the line-up remained about as it was before the President spoke. Is it possible that most people had already grasped the issue and made up their minds?

The President's fireside chat of Tuesday, March 9, was milder in tone. He was not undertaking to run the Court or dominate its opinions, he explained, but was merely trying to modernize it through the infusion of new blood.

"When I commenced to review the situation with the problem squarely before me," he said, "I came, by a process of elimination, to the conclusion that, short of amendments, the only method which was clearly constitutional and would at the same time carry out other much-needed reforms was to infuse new blood into all our courts."

He charged those opposed to this plan with having sought to arouse prejudice and fear "by crying that I am seeking to 'pack' the Supreme Court and that a baneful precedent will be established." Then he asked, "What do they mean by the words 'packing the court'? Let me answer this question with a bluntness that will end all honest misunderstanding of my purposes. If by that phrase, 'packing the court,' it is charged that I wish to place on the bench spineless puppets who would disregard the law and would decide specific cases as I wished them to be decided, I make this answer—that no President fit for his office would appoint, and no Senate of honorable men fit for their office would confirm, that kind of appointees to the Supreme Court.

"But," he continued, "if by that phrase the charge is made that I would appoint and the Senate would confirm justices worthy to sit beside present members of the court who understand those modern conditions—that I will appoint justices who will not undertake to override the judgment of the Congress or legislative policy—that I will appoint justices who will act as justices and not as legislators—if the appointment of such justices can be called 'packing the courts,' then I say that I, and with me the vast majority of the American people, favor doing just that thing—now."

The George Matthew Adams Service, Inc.

Prospects for Revision

Thus the President took the same position in his fireside chat of Tuesday, March 9, that he had taken in his Victory Dinner speech the previous Thursday night. Summarized, the position is this: he has a program which he wants to carry out, but which he feels cannot be carried out unless the personnel of the Supreme Court is changed. Therefore, he has devised a scheme whereby it can be changed—a scheme which provides for the appointment of one additional justice to each of the present justices who remain on the bench after they have attained the age of seventy years and six months.

In justifying this Court Revision Plan as a means by which to carry out his program, the President declares that the program has worked well thus far and that he has [illegible] given a mandate by the people to go on [illegible] it, which makes it of paramount importance. Those opposing the Court Revision Plan argue that the program has not worked well; that by the President's own admission one third of the nation is still undernourished; that industrial relations have become chaotic; that the Federal debt is mounting with unprecedented speed, and that it is a good thing to

have a court which dares to put on the brakes. They argue further that the President's plan implies extension of power for the Executive which would be just as dangerous as extension of power for the court. While admitting that President Roosevelt might not abuse this extension of power, they assert that it opens the door for bossism and tyranny.

No issue since Lincoln's time has gripped the nation like that raised by this Court Revision Plan. It finds the Democratic Party split wide open and a general shift in political alignments all along the line. It is opposed by a clear majority of leading newspapers, while many bar and trade associations have already voted against it. On the other hand, it is supported by an overwhelming majority *in the ranks of organized labor, by farm* organizations, by Progressives and liberal thinkers.

The latest check-up of United States Senators indicates that 36 favor the plan, while 42 are prepared to vote against it, with 18 noncommittal.

But for the President's great personal prestige and well-known powers of persuasion, it would be justifiable to regard the adoption of his Court Revision Plan as very doubtful at this time. He has demonstrated an ability to overcome what appeared to be unbeatable opposition on so many occasions in the past, however, that guessing is still unsafe.

New York World-Telegram

AND DON'T MAKE US MENTION IT AGAIN!

Child Labor

IN 1924 the following amendment was proposed to the legislatures of the States by the Sixty-eighth Congress: "The Congress shall have power to limit, regulate, and prohibit the labor of persons under eighteen years of age."

Immediately it was proposed, it went under attack from the press, the pulpit, and divers interested parties who profited from the sweated labor of children. "If the Constitution is thus amended," thundered the pulpit, "politicians will presume to control the religious education of our children!" "And the Government," echoed the Press, "will come into your homes and prohibit your children from helping with the housework!" "And," added the sweatshop proprietor, "families will be further impoverished if deprived of their children's financial help."

These were the arguments based wholly upon the legalistic assumption that at some time in the future the Government would interpret the word "labor" to mean all and any of childhood's activity. To further damn the amendment, critics called it a "youth control" bill. And in part the obstructionist barrage was successful. Up until January 1 of this year, only 24 States had braved the emotional, legalistic, and anti-social arguments to the extent of ratification.

Early in January, President Roosevelt dispatched a pertinent query to 19 State Executives. "Do you not agree with me," he asked, "that ratification of the Child Labor Amendment by the remaining 12 States whose action is necessary to place it in the Constitution is the obvious way to early achievement of our objective?"

Catholic Opposition

In part the personal plea was successful. Kentucky ratified on January 13; Nevada on January 29; New Mexico on February 11; and Kansas on February 25 became the 28th on the list of 36 States necessary to amend the Constitution. In New York, however, where

New York World-Telegram

IF YOU ARGUE THIS WAY ABOUT CHILD LABOR

labor leaders, educators, and public officials rallied to support the bill, legislative approval encountered a formidable snag. With the opponents of the amendment were many familiar faces, among them the State Grange protecting, in the interest of its members, the profitable employment of child harvesters, a body of the press guarding the distribution of their papers through the newsboy, and, of course, the custodians of State Rights who jealously oppose the renunciation of any and all power to the Federal Government.

But there was one more opponent for the first time rather bashfully dragged into the open. The Most Reverend Edmund F. Gibbons, Catholic Bishop of the Albany Diocese, presented a protest from Catholic clergy of the State against giving Congress power over youth. With this protest and denouement, many a good Assemblyman who had formerly applauded the social justice of the bill abruptly took cover and began to figure Catholic percentages among his constituents. Cardinal Hayes followed up the first opposition with an open letter read from the Catholic pulpits. Partisan groups openly adhered to the Cardinal's lead and flooded Assemblymen with letters of protest. But many Catholics winced. To them this bald attempt to influence legislation in the interest of a special religious sect violated the demarcation of Church and State. Protestants and non-religionists blew lightly through their noses, and intimated that if the Catholics continued to be so outspoken they also had a thing or two to say.

With both sides avoiding the final test of an Assembly vote, Governor Lehman took the issue to the electors via the radio. He admitted that without the Republican support the measure would fail, but he pointed out that Congress initiated the amendment during the Coolidge Administration and that former President Hoover had approved it. Clarity of statement dominated his broadcast, and many observers believed that the Governor had effectively dissipated the smoke barrage laid down by the opposition.

However this was not to be the case. On March 9, after a debate of more than three hours, the New York State Assembly defeated the resolution for ratification of the amendment by an overwhelming vote of 102 to 42. To make doubly sure that the resolution would remain dead, the Assembly then defeated by 102 to 35 a motion to reconsider the adverse vote. But this is by no means the last word. Supporters of the amendment are disappointed although not discouraged. They can be depended upon to reintroduce the amendment at some future date, if not this year, in 1938. And it is supposed that the opponents of the bill will return to the attack with material change in their condemnation.

Basic Arguments

But what exactly are the opposition's arguments? Many of them are, of course, so deeply rooted in sentimentalism and emotionalism as to preclude examination. That the Government will step in and prohibit childish chores is preposterous. That the Government will prohibit farm slavery for children, factory sweating, and analagous anti-social activities is admitted. Arguments that reek of inhuman exploitation of children are automatically eliminated. The press disqualifies itself and its arguments, no matter how cogently they are rooted in valid fears, just so long as they exploit the newsboys. When they have washed their hands, then—and only then—will their opposition command respect.

However, the amendment's opponents have many valid reasons on which to base their opposition. First, the amendment itself is open to challenge. In its wording it states, without equivocation or qualification, that the labor of children under 18 will be controlled

by the Federal Government, and in this unlimited authority many sincere people have perceived a positive threat of tyranny. What, they ask, will prevent the Government from extending, broadening, or perverting the meaning of the word "labor"? Suppose in the future some racial or nationalistic fervor should win ascendence? What then will happen to religious training? What will happen to parental authority if the Government should decide to impose religious, ethnic, and educational uniformity upon the children of the land, as has been done in Germany, Italy and Russia? Briefly, these are the fears of the opposition, excluding, of course, the constant obstructionism of State Rightists who believe that the individual States can, and will, provide for the protection of its own children.

To calm the fears of those sincere people who appraise the amendment as nothing but an enabling act which will permit the Federal Government to do what it will, the supporters of the bill point out the illogic of the fears. While admitting it will give the Government extraordinary power, they also point out that the Government already has extraordinary power—the power to tax, the power to control currency, the power to declare martial law, the power to conscript life itself. If the Catholics must fear for their parochial schools, then let them examine the taxing power. With a flick, the Federal Government could tax them and their property to the point of destruction. And if they are affrighted of incipient fascism or communism, then they must know that fascism and communism docs not approach the State with candor or by legal attrition. Hitler, Stalin, and Mussolini arrived with guns and a disregard for all law, secular or spiritual.

Neutrality

IN APRIL 1917 the United States entered the World War on the side of the Allies. Twenty full years have passed, twenty years in which the war, its causes and our participation have been analyzed, sifted, and distorted. From the process has come a positive legislative preventive that in the light of past experience delineates the American position in the coming European War.

On February 3, the Senate enacted the Pittman permanent neutrality bill which aims to keep America out of future foreign conflicts. In definition the Pittman law permits the Government to take the following measures to enforce neutrality during a war abroad: Place an embargo on the shipment on arms, ammunition, and implements of war, and on all loans to all belligerents and to all factions in civil strife; make it unlawful for United States citizens to travel on ships of belligerent registry, except under such regulations as the President might prescribe; ban all trade with belligerents except on a "cash and carry" basis (no goods to be shipped from this country except after all right and title therein has been transferred from American nationals to foreigners); prohibit transport on American ships of any commodities designated by the President as contraband.

The provisions of the law are specific; they neither fulfill the desires of the idealists, nor compromise altogether with reality. Without renouncing the economic right to money-making, the bill soothes the sensibilities of ardent pacifists by prohibiting the export of deadly weapons. Such is the law in spirit. In practice it is something else again. However, before either criticism or defense is presented, it can

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BON VOYAGE

New York World-Telegram

KEEP YOUR HANDS IN YOUR POCKETS, SAM!

be pointed out that neither Pittman nor his supporters prescribe the bill as an antidote to war, or as a bond for America's future conduct in the face of war. Modestly they envisage it as an antisepsis and not a curative agent. To their detractors they offer the example of positive action.

Even the most incorrigible student of war and its resultant insanity can enumerate the shortcomings of the bill. And such shellbacks as Senators Borah and Johnson who have already withstood the heat of high noon can subject the bill to devastating analysis. In the event of war, Britain will command the Atlantic; that is a reality. So long as Britain has the cash, we will be her economic ally. In every respect, the Pittman bill is pleasing to London. And as for the Johnson Act prohibiting the sale of goods on credit to those countries already indebted to us, it is annoying but not terrifying to the British. They believe that the forces of greed, propaganda, and general sentiment will frustrate it when the crisis comes. What forces will be strong enough to curtail production in our bloated industries when Britain runs short of cash? What President will withstand the pressure generated by sentimental and business groups clamoring for America to support the British cousin in the hour of travail? What President and what legislators, indeed. They are also human.

However, there are many tight-lipped gentlemen who have heard that song and dance before, and who are also determined to keep the United States out of the next war. Cynically they have remarked on occasion that, if we must continually accept the responsibility for British policy, then we must take a hand in its formulation. Despite the Anglophobes, these gentlemen point out that Britain is again girding for war after 20 years of insolent satiety and a cynical disregard for the festering European sores it has, in part, been within her power to heal. And further, these realists are determined to see that when the British cash is gone there will be no credit.

Free Speech and Mayor La Guardia

ON MARCH 3, Mayor La Guardia of New York delivered a speech at the second annual luncheon meeting of the women's division of the American Jewish Congress. In his speech which dealt with the freedom of religion, Mr. La Guardia said he would like to have in a 'chamber of horrors' at the coming New York World's Fair a 'figure of that brown-shirted fanatic who is now menacing the peace of the world.'

Since La Guardia's vulgarisms are aimed at the head of the German State, we must present to the American Government the serious question, just what does it intend to do to preserve within the sphere of its authority the most primitive rules of international courtesy?

—*Boersen Zeitung*

It is obvious that the German nation cannot tolerate this insult to the Fuehrer by a man placed in so prominent a position.

—*Lokal Anzeiger*

This stupid libel against the head of a foreign nation cannot be ignored in Washington. We await the taking of proper measures.

The German public has had previous occasion to notice La Guardia, despite the feeling of nausea that he arouses in our stomachs. His career as New York's Mayor is notable by the fact that gangsters, when they had sufficiently bribed him, were able to pillage and kidnap with more impunity than ever before. * * *

His orgy of rage before 1,000 Jewish women crowned, however, all he has done to date. His thieves' lodging-house intellect cannot grasp, of course, what it means to insult the Fuehrer of a nation of 70,000,000.

* * * The Government heads seem afraid of the New York underworld's revolvers, which respond to the whistle of the New York gangster-in-chief, and so they let the Jewish ruffian scold as his filthy imagination might suggest.

We do not intend to descend to the gutter where La Guardia gets his expressions. We can say, however, that who ever shouts into the forest shall hear an echo. We could take an interest in America that would *not* necessarily be pleasant. La Guardia in Italian means 'guard.' La Guardia's racial comrades had better be on watch against us.

—*Des Angriff* (official Nazi organ)

Jews in Moscow, butchers of untold millions and traders in death, who speculate to gain billions while millions of men, women and children are being killed in war, are behind this. * * * One thing is certain: in the well-governed United States such a criminal as La Guardia should be made harmless—either placed in an insane asylum or in prison.

—*Voelkischer Beobachter*

Protest was presented to the States Department by Mr. Thomsen, who is in charge in the absence of Hans Luther the German Ambassador, in New York.

—The *New York Times*, March 4.

I haven't yet had a chance to run down and verify the facts with respect to the matter. Naturally when any citizen of this country, no matter what he may think of the domestic policies of another country, engages in expressions and utterances, reasonably calculated to be offensive to another Government with which we have official relations, it is a matter of regret to this Government.

—Secretary of State Cordell Hull

They are absolutely right. They ought to protest. I know of no artist or designer who can adequately build, paint, or carve anything that will adequately depict either the personalities of the Nazi Government, Hitler himself, or the type of government he is giving.

—Mayor La Guardia, March 4.

Non-Intervention: A New Chapter

THE achievement of a general agreement for the control and supervision of intervention in Spain is a new chapter in the attempts to isolate the Spanish war—but it is the same book and it records the same story of the retreat of democracy.

As far as the civil war is concerned, the loyalists have unified their forces and more than held their own, despite the fall of Malaga. The same cannot be said for their democratic colleagues abroad in their diplomatic dealings with the fascist powers. Whether by intent or ineptitude, Great Britain, who holds the balance in the non-intervention committee, has cast her lot definitely against the Valencia Government; that may have more serious repercussions upon the international than the internal Spanish situation.

Here is the suggestive record: By the end of 1936, Franco's forces included, according to the most generally accepted records, about 10,000 Germans and 10,000 Italians; there were approximately 10,000 foreigners fighting in the International Brigade.

On January 2, Great Britain and Italy signed their "gentleman's agreement" concerning the Mediterranean, the terms of which have not been disclosed save as regards the maintenance of the status quo in the inland sea. On January 10, Great Britain took unilateral action in banning volunteers to Spain. About the same time, General Faupel estimated that about 40,000 to 60,000 more German troops would be necessary to ensure a fascist victory. The German military staff was loath to spare the men, but a little later Count Ciano and General Goering announced that "communism" in Spain could not be tolerated. Then came the fall of Malaga, which was jubilantly greeted in the Italian press as an Italian victory.

On this last score, there was no contradicting the brazen statements of the government-inspired Rome press. For the whole face of foreign intervention had changed; the number of German "volunteers" remained about the same, but by the middle of February the Italians in Spain had increased to nearly 50,000—according to the estimates of the diplomatic correspondent of the London *Times* and *The New Statesman and Nation*, to name but two authoritative sources of widely differing sympathies.

Since the terms of the Anglo-Italian Mediterranean accord have not been made public, there exists no concrete evidence to the effect that this change in the balance of power can be attributed to it. But three facts force that conclusion: (1) a large body of Italians landed in Spain immediately after the signing of the agreement; (2) it is an accepted fact that England would prefer to see Italians rather than Germans in the saddle in the event of a rebel victory, and (3) it is inconceivable

Daily Herald, London

THE TRIUMPH OF JUSTICE

"Right-a, Sergeant. I help-a da agreement. Take-a no more boys on the job after mid-a-night Friday!"

that the most crucial issue of the Spanish war—non-intervention—was not discussed during the negotiations. If Great Britain did not actively connive at increased Italian intervention, she must at least have implicitly agreed to equip Lord Plymouth, the chairman of the non-intervention committee, with blinkers.

From here on, events assumed a greater importance for the international strategic situation than for the immediate outcome of the Spanish war itself. The fall of Malaga gained the rebels easier access into the interior; but the main result was that it infinitely facilitated the landing of German and Italian troops. The fascists are therefore in a position to occupy and fortify a base directly threatening the English and French Mediterranean lifelines; from the point of view of the German Reichswehr, this is preferable to a major victory in Spain itself. Such action would be illegal; but the fact is that the Germans and the Italians are there, treaties or no treaties, and possess a trump card in the event of an outbreak of wider hostilities.

Insulating Spain

The completion of the scheme for the international control of intervention does not materially change this picture. All the immediately interested nations agreed to shut off the export of volunteers on February 16. The question of a naval "cordon sanitaire" raised more difficulties. Portugal decided to abstain, which meant policing the Portuguese-Spanish border. Soviet Russia gained recognition of her right to patrol part of the coastline, but decided not to participate.

The Spanish border was then divided between the four remaining powers. France will patrol the Pyrenees border. British and French ships will jointly supervise the north and northwest coasts of Spain. One hundred and thirty international observers are to watch the Spanish-Portuguese border. The British fleet will control the Spanish coast from Portugal around Gibraltar to Malaga. From there Germany will be responsible for the coast up to Alicante, while Italy will take care of the remainder of the eastern shoreline.

The remaining question concerned the nature of the naval patrol. France and Russia demanded that it be placed under unified international command. Opposed to them were Italy and Germany, who insisted that each patrol should act as a national unit.

The first and obvious implication of this debate was that Italy and Germany wished to retain a maximum degree of the irresponsibility which they have shown towards the policy of non-intervention. Again, by keeping full command of their own fleets, they will be able to consolidate their position in the western Mediterranean, which has replaced the eastern end as a crucial strategic region.

But a more urgent consideration in the minds of the disputing nations was the balance of naval power between the Government and the insurgents, which will become of more importance as the war progresses. Of the two parties, the loyalists possess the more powerful navy. Its organization is poor, as was that of the army in the earlier days of the war; but that can be remedied. However, it has been entirely neutralized by the presence of German and Italian warships particularly the latter; in other words, the loyalist navy cannot take the offensive without being ready to declare naval warfare against Italy or Germany. If, however, the naval patrols were under some form of international command—as was urged by France and Russia—this cause of the impotence of the loyalist fleet would be removed. But Great Britain swung her vote in behind the fascist powers, and hence, under the new scheme of control, the Spanish Government warships will remain effectively sterilized.

Speeding Up the Arms Race

THE National Government of Great Britain has pleaded as an excuse for its inactivity as diplomatic leader of the democratic nations the relative weakness of British armed power, particularly in the face of the frantic pace of German rearmament.

On February 11, Neville Chamberlain, the Chancellor of the Exchequer, removed any substantial basis for the continued existence of that excuse in announcing new defense expenditures of £400,000,000 to be spent over the next five years, in addition to the £1,000,000,000 now being spent at the rate of £200,000,000 annually; the nation might look forward, he said, to a total bill of £1,500,000,000. The significance of the estimate is measured by the facts that it triples the normal expenditures on defense and that the cost of armaments in a single year now amounts to twice the whole government cost in the last financial year before the Great War.

Out of the total of £1,500,000,000, the Navy is to enjoy the largest share—some £600,000,000. Three battleships, seven cruisers, and two aircraft carriers are included in the 1937–8 program; the Government also proposes large increases in personnel and the extension of dockyards and storage facilities for ammunition and fuel. Under this plan, Great Britain hopes to maintain a fleet in European waters equal to the combined strength of the German and Italian navies, while at the same time she proposes to regain some of the naval power she has lost in the Pacific.

The Army is to have two new tank battalions, two out of four new infantry battalions are to be raised, tremendous ammunition reserves are to be accumulated, and mechanization of the Army is to proceed at an accelerated rate. To this end, the 1937–8 estimates amount to £82,174,000—the highest figure since 1922.

The Air Force program anticipates the construction of more than 75 military airdromes and training stations, an increased personnel, and a fleet of at least 5,300 planes, including reserves, by 1939.

It is proposed to finance this tremendous program as far as possible by budgetary surpluses, but the greater part of the required funds must necessarily come from increased borrowings. The plan will mean a higher income tax and, as Mr. Chamberlain warned, a lower standard of living for many Britons—and also, as Mr. Chamberlain neglected to mention, a lot of gravy for a few of them. Be that as it may, the program has been generally accepted by the country, at the best with enthusiasm and at the worst with resignation. The Labor Opposition, split between its pacifism and its hatred of the fascists, has offered no substantial obstacles to the passage of the bill.

Whatever the internal effects, the British arms program has geared up the arms race to an unprecedented speed. In Italy, the Fascist Grand Council almost immediately replied by voting for a new Italian arms program. France hastened to raise a national defense loan. Repercussions sounded in the United States, anxious to preserve her naval parity. Japan, sensing the threat to her predominance in the Pacific, was equally disturbed. In short, the old vicious circle was whirling at a dizzier rate than before.

Power of the Purse-strings

But one factor promises to gain an infinitely greater importance in this lap of the arms race—finance. It is certain that every nation will want to regain its previous strength relative to Great Britain. But it is equally doubtful whether they can afford to. By accelerat-

Daily Herald, London

They fly through the air with the greatest of ease!

Star, London

HE LOVES ME NOT!

ing the rate of rearmament, England is hoping to achieve an elimination of the financially unfit. Hence the frantic efforts of European nations to ensure themselves of sources of loans, particularly in the United States, not only for rearming, but also for the prosecution of a war and the preservation of some semblance of the capitalistic system through a conflict rife with revolutionary possibilities.

The first visitor was Mr. Runciman. Then the Securities Exchange Commission and Mayor LaGuardia combined to spike the German efforts to raise a loan here. M. Bonnet, the new French Ambassador, tried to climb through a loophole in the Johnson Act, but did not succeed. However, as between the British and the French, the latter are likely to receive the more favorable attention from the Administration, with its desire to follow a policy of freer international trade. The sight of England, a trading nation of pre-eminent importance, closing her markets and basing her recovery on an internal armaments boom, is a disturbing one to Mr. Hull, particularly because of its resemblance to the German pattern. M. Blum, on the other hand, is the only prominent European statesman who has declared his approval of the New Deal, and France is the only nation which has displayed a sincere desire to lower tariff barriers.

In view of the increased insistence with which Europe is forcing her political and economic affairs upon America, there is a distinct likelihood of this country making a positive effort to avert war through a peace policy based upon freer trade. Mr. Bullitt's Paris speech on George Washington's birthday stressed this keynote. Then again, Mr. Hull and Mr. Mackenzie King, the Prime Minister of Canada, held some conversations in Washington. Among the world's effective statesmen, they are the two most devout believers in the desirability of freer trade; they do not want to get involved in a European war, towards which their respective countries hold similar sentiments, and it is probable that they discussed more than the weather. The New World may yet make a positive effort to show the Old World how to run its affairs, and an economic and political conference on the Pan-American model is in the cards.

Checking the Nazi Drive

ONE result of the British rearmament move has been to rally the anti-Nazi forces of the world. They will now have a more substantial peg on which to hang their hats.

In Austria, Chancellor Kurt Schuschnigg emphasized his country's determination to remain independent, and hinted that he was keeping the possibility of a Hapsburg Restoration up his sleeve as an instrument to use against the Nazi threat. According to "Augur," the *New York Times* correspondent into whose ear the British Foreign Office sometimes pours its deepest secrets, Great Britain is ready to back this move.

In Rumania, King Carol and the Parliament called down Premier Tatarescu, suspected of pro-German tendencies, as the result of a fascist demonstration at the funeral of two members of the Iron Guard who were killed in Spain. This was attended publicly by the Italian and German Ministers, and the two fascist powers were forced to retract the action of their representatives.

To the North, Kyosti Kallio, the Agrarian candidate and an advocate of friendly rela-

tions with Soviet Russia, was elected President of Finland. And the aftermath of the visit of Rudolf Holsti, the Finnish Foreign Minister, to Moscow was an official Soviet statement looking forward to a period of "good neighborhood" between the two countries, as well as a good-will tour by the Russian Chief of Staff to the Baltic nations in the hope of securing at least their benevolent neutrality in the event of an outbreak of hostilities between fascism and communism.

Poland's New Party

In another strategically situated country, Poland, important developments took place during the month which, although their international significance is not yet clear, deserve some attention.

Poland's political pilgrimage since the death of Pilsudski in 1935 has been that of a nation in search of leadership. The first phase was ended last fall by the emergence of the independence leader's most trusted lieutenant, General Edward Smigly-Rydz, as Marshal of Poland and the new leader of the nation. Standing above party politics, Smigly-Rydz in a real way personifies the Polish nationalism which is making the country a far-reaching force in troubled Europe's politics. This publicity-shunning marshal, far from being another militarist commanding an army rule, sees his rôle as that of the spokesman and protector of the Polish people during this period of crisis. His program of military power, economic stabilization and national solidarity commands the support of patriotic Poles from all camps. His unique personal position, based upon his devoted service in the cause of Polish independence and his unimpeachable character as a man without personal ambition, has grown tremendously this winter.

Accordingly, Poland now comes to the second phase in the development of an authoritarian state. The personal leadership of Marshal Smigly-Rydz has needed to be implemented by a new deal in party government. This is taking the form of a national superparty. Colonel Adam Koc has assumed the task of creating the new basis for Polish politics by rallying to it the generalissimo's supporters throughout the nation irrespective of old party lines and class interests. The launching of this "Camp of National Unity" marks the establishment of a government party designed to transcend all existing partisan differences and to give Poland a new governmental unity under the aegis of Smigly-Rydz as the virtual head of the state. The significance of this development for France and Germany will bear watching.

NEA

ALL CLEANED UP FOR THE PEACE CELEBRATION

Towards a New Locarno?

All these moves represent reactions in one way or another to a Germany which is rapidly approaching desperation. The one apparent hope for bringing her into a European settlement is through the resurrection of the Locarno pact, which Mr. Baldwin has declared to be the complement of rearmament as the objective of British foreign policy. The crucial question remains open, will Great Britain exclude Soviet Russia, or will Italy and Germany agree to include her.

Japan Looks After Leaping

THE new Hayashi Cabinet arrived, looked around, and decided to put a curb-rein upon the Army's headlong adventures in China. When the Japanese budget came up for discussion, the Government took the bold step of reducing defense expenditures—even though by a small amount. Two days later, Premier Hayashi held out a cooperative right hand and invited Soviet Russia and China to enter into more friendly relations with Japan, also pledging himself to maintain a constitutional form of government. It was left to Foreign Minister Sato to drop an astoundingly pacific bombshell. "China demands to be treated on an equal footing," he said, on March 8. "This wish should be respected and past differences forgotten."

This was taken as an explicit admission of the failure of the Army's policy on the continent. The Tokyo Administration has expressed its desire to approach China by the methods which the Japanese civilian powers would prefer.

That the Government felt able to listen to the civilians and flout the Army could be accounted for by several factors. The tide of anti-military sentiment, which was responsible for the recent political crisis, was still at a height. Manchukuo's fifth birthday was a disillusioning event. The amount of cotton supplied by the new colony had actually declined since 1931 and, although imports from Manchukuo had increased absolutely, they accounted for a smaller proportion of Japan's total imports than before the conquest. As a market for Japanese exports, Manchukuo showed a marked improvement; but this could be explained by the tremendous construction boom rather than by the purchases of consumption goods. And it is estimated that, of the 2,200,000,000 yen invested in the colony by Japan, the great bulk has been entirely unproductive during the last five years. More than 250,000 Japanese have migrated to this part of the mainland, but this does not begin to touch the Japanese population problem.

But more damaging to the prestige of the Army has been the failure of the North Chinese "autonomy" movement. Two pro-Japanese régimes have been established, but, while China and the rest of the world regarded the seizure of Manchukuo with some equanimity, a drive which brought the Japanese so near to Peiping and Tientsin touched more vital nerve centers. The abortive attempt to establish another "autonomous" administration in Inner Mongolia proved a culminating point which finally shook the Chinese out of their lethargy and dependence upon other nations. Again, the Army-sponsored pact with Nazi Germany proved to be a diplomatic blunder; it disrupted hitherto promising negotiations with Soviet Russia and branded Japan as a war-maker in the eyes of the rest of the world.

To have to bear an overwhelming burden of taxation in order to pay for these dubious privileges was piling insult upon injury, as far as the civil powers in Japan were concerned. Nor did the Army enjoy a good reputation on the score of its domestic activities. The memory of the February 1936 revolt still lingered. That the Navy took advantage of this and joined with the civilians against her sister service was more salt in the wounds of the militarists.

These factors enabled the Hayashi Government to halt the pace of imperialist expansion. But the month's events do not mean that Japan has disavowed this policy for eternity. The present Government is a working combination between the Army moderates and the industrial dynasties. It will have to face, on the one side, the young Army extremists who are reported to be planning a new party, and on the other, the political parties, none of whom have representation in the Cabinet. The political balance is too precarious to ensure the permanence of any policy.

LABOR MARCHES, SITTING DOWN

A new organization and a new technique upset the pattern of labor relations

The C. I. O.

EVERY period of returning prosperity sees its outcropping of strikes, as labor demands a larger share of the inflated melon. But the present burst of industrial warfare is also a period of adjustment to a new force and a new technique.

The new force is the Committee for Industrial Organization, which, by its militancy and its attempt to unionize the hitherto unorganized masses of the unskilled, has upset the established pattern of labor relations by introducing a new factor of incalculable potentialities.

The new technique is the sit-down strike. It is novel only in respect of the scale upon which it has recently been employed, but it has focussed attention upon a new conception of property rights— a conception alien to that embodied in the law.

The organization and the technique are not indissolubly wedded. But the two represent the dynamic elements in the labor situation and can be considered adjacently.

Industrial unionism is not new to the United States, for the United Mine Workers of America and the two needle-trade unions have had long careers. But the program of militant organization on a nation-wide and industrial basis only had its inception at the American Federation of Labor convention in 1934, and the consequent Committee for Industrial Organization was formed only in November 1935, when it was perceived that the A. F. of L. was not seriously interested in promoting this form of organization.

At the time of its origin, the C.I.O. had only ten affiliates and slightly over a million members. Today, it enjoys a growing membership of nearly two millions, and 15 unions are affiliated—although two of these are only associated through their officers. In point of numbers, the C.I.O. closely rivals the A.F. of L.; in point of militancy, it is several long laps ahead of the older organization, which has suspended it.

The objectives of the C.I.O., in degrees of immediacy, are threefold: organization, recognition, and the "closed shop." Ultimately, the C.I.O. sees itself as the sole bargaining agency for the masses of the unskilled, proceeding upon the analysis that time, numbers, and the machine are on their side and that a labor movement based upon the "skilled aristocracy" is doomed to increasing futility. Again, the C.I.O. maintains that national, industrial unions alone can hope to meet on any equal basis the concentrated power of the employers—a web which derives its unity of purpose from the financial houses at its center.

Towards this final goal, the industrial unionists are moving cautiously but with determination, concentrating upon the steel, rubber, automobile, and oil industries. In coal, where the United Mine Workers represent some 400,000 workers, the organization seeks a basic national agreement which will cover virtually all the coal operators and miners in the nation. In the recent auto strike, the United Automobile Workers of America lost the right of being labor's sole bargaining agency, but gained the right to organize.

Such recognition the organization has sought, and won, in the steel industry. The campaign was launched last June, and the Steel Workers Organizing Committee claims that, since then, 250 lodges of the Amalgamated Association of Iron, Steel, and Tin Workers have been chartered and that the industrial unions can claim 150,000 to 165,000 members out of the 500,000 steel employes. Recognition in steel, coupled with

wage increases and a 40-hour week, constitutes the C.I.O.'s most impressive victory to date, and is little short of a revolution in capital-labor relationships.

The Committee for Industrial Organization has crashed headlong into three well-established institutions—the American employer, the existing labor movement, and American politics. Its importance derives from its impact upon these.

The militancy and effectiveness of the new industrial unions depend upon two factors. The first is John L. Lewis. Mr. Lewis is hard, ambitious, and a fighter; he can match and commands the respect of employers who find themselves ranged against him. He is an autocrat; organization and recognition have preceded rank-and-file control in the organizing of the C.I.O. But a man of his power and a centralized command are requisites at this stage of the unionization program.

The second factor is the national character of the industrial unions and their financial interrelationship. Once a strike is embarked upon or an organizing movement launched, there is at stake, not the future of a small local union, nor even the future of a national union, but the future of the whole industrial union movement. For one C.I.O. affiliate—generally the United Mine Workers—makes available to its fellows its "war chest" for the purposes of organizing or striking. Hence there has been established, on a very concrete basis, a framework of solidarity among the unskilled workers of the nation. They advance together or they fall together, and under the driving influence of Mr. Lewis they intend to do the former. This new and salient fact American employers now have to face.

The American Federation of Labor has to accept the facts that it has lost the initiative as the recognized spokesman for American labor, that the craft unions have lost their monopoly of organized bargaining power, and that the federation will either lose or be swamped by an organization with an appeal to approximately 30,000,000 potential members. At present, the breach between the two organizations is widening rather than narrowing; if the A.F. of L. is in a state of suspended animation, the C.I.O. is in a condition of animated suspension.

The third—and far from the least important—innovation introduced by the C.I.O. has been the entrance of labor into partisan politics. The C.I.O. has been working in close touch with the Non-Partisan League, under Major George L. Berry. The organization swung its support behind President Roosevelt during the last presidential elections; it contributed heavily to the Democratic Campaign treasury; it has established a powerful lobby, and during the General Motors strike Mr. Lewis saw fit to demand labor's pound of flesh. In short, the C.I.O. has brought labor into a position in which it can play an old and well-known capitalistic game, but in the interests of a class hitherto denied the plums.

The Sit-down Strike.

The sit-down strike gained fame during the General Motors—C.I.O. controversy, when it was employed by the United Automobile Workers, and has since been extensively favored by strikers in a variety of industries.

Of the illegality of the sit-down strike, there is no room for doubt. And employers are irrefutably correct when they point to it as a trespass upon the rights of private property. But that is only the simple answer. The essential problem is that the law does not fit the realities of the situation, and where there is no equity, there can be no effective law.

Labor will admit the illegality of the sit-down strike. It is not even unanimous as to its desirability: non-unionists brand it as an autocratic method whereby 5% of the workers can close down the whole plant by refusing to operate their key positions; union leaders fear that it gives too much power to a hot-headed rank-and-file minority and that the strategy may be exploited by *agents provocateurs* in order to discredit unions and provoke a public opinion antagonistic to them.

But the proponents of the technique counter with this argument: It is true, they

say, that the sit-down strike infringes those property rights recognized by the law. But there are other property rights, not written into law but yet of more human significance —the rights of a worker to his job. There is no law to protect the employee against discrimination, against unfair wages or speed-ups, nor is there now any legally available means of protest and redress. Employers have not hesitated to use force in subjugating the worker and sapping his security; for evidence, it is only necessary to look at the minutes of the La Follette Committee.

Hence, labor is forced to fight for its rights by the use of any weapon at its command, for where law does not guarantee justice, only force can. Of the available weapons, the sit-down strike happens to be the most effective. It has only been used when employers have refused to deal with the unions, and possesses the additional advantages of reducing the amount of violence and preventing the importation of strike-breaking thugs.

And so the authorities have found themselves caught once more between established property rights and claimed human rights. With the exception of a statement by Secretary Roper to the effect that the sit-down strike would not long be endured by the courts, the Federal Administration has taken no stand, and the problem has been left on the laps of the State Governors. Governors Cross of Connecticut and Hoffman of New Jersey have taken an unrelenting stand against the sit-down strategy; Governor Horner of Illinois hesitated to enforce the injunction against the strikers, Governor Murphy of Michigan refused to. But all Governors—and all authorities—will face this dilemma between law and order until the breach is closed between the law and the realities, between property rights and human rights, and until employer-employee relationships are removed from the sphere of force.

The A. F. of L.

Prior to the disaffection of several large unions under John L. Lewis, the A.F. of L.

NEA Service

MR. LEWIS RESTING AFTER THE AUTO STRIKE

claimed a membership of some 3,000,000 craft workers. This grand total consisted of 31,291 local unions in 109 national and international unions and 1,354 directly affiliated local trade and Federal labor unions. Governed democratically, the individual unions are chartered by the A.F. of L., which exercises direct control through officials elected by union delegates in convention. As a body, the A.F. of L. is chiefly distinguished for its protectionism, since it will not encourage or subsidize labor movements calculated to impair the exclusiveness of its membership. For this outstanding quality it is continually condemned as an enemy to labor progress and its officials, notably President William Green, are denounced as old-line conservatives, antagonistic to innovation. In fact, the labor progressives have accused them of everything but common corruption.

By the nature of its composition, craft unionism is both parasitic and predatory. The threat to strike, when posed by such bodies of skilled workers, is a powerful bargaining weapon directly enhanced by the degree of skill involved. And it is natural

that the craft unions should oppose any dilution of their membership calculated to impair their skill, since it would automatically lessen their bargaining power. For this reason they are accused of exclusiveness. The craft union demands, and gets, high wages at the expense of the consumer and more unjustly at the expense of complementary groups of unskilled workers. Employers contributing high wages to skilled workers blithely pass the buck, by making up the difference out of the pay envelopes of the unorganized and, of course, on the sales price of finished goods.

Political participation, always a bugbear to the A.F. of L. has appeared more and more frequently to plague the officials. In the 1935 convention, no less than 13 resolutions favoring the formation of a labor party were presented to the Resolutions Committee and, of course, rejected. Officially, at least, this action indicated that the A.F. of L. would pursue the ancient "non-partisan" policy of "rewarding friends and punishing enemies." In practice this policy has been a rewarding one for the federated craft unions and a disastrous one for the unorganized or loosely organized unskilled workers. Again it has been a question of preserving the privilege of skilled workers. But how long this policy can continue in force is problematical. On the admission of labor officials, the threat of fascism must inevitably force unionism into direct participation in politics. International cartels, they point out, already victorious in Germany and Italy, are becoming a serious threat to labor in the United States. And yet for this very reason the A.F. of L. pleads for the integrity of craft unionism, fearing, perhaps, that the larger industrial union combining all forms of skilled and unskilled would be more vulnerable to demagogy. Hitler liquidated unionism, suppressing the skilled crafts along with the unskilled. This is a fact, and the A.F. of L. may be right in assuming that craft unions are a strong bulwark against fascism. But they must not forget that fascism stalks on to the world's stage in political guise. To secure an even combat, labor should be the first upon the field. And yet the A.F. of L. leaders will not voluntarily participate in politics, despite the body of progressives within the federation who have advocated either a labor party or a farmer-labor party.

It has been pointed out that, in the light of present labor developments, the A.F. of L. has long since reached a zenith. This would seem to be true. In 1920 the A.F. of L. attained a peak of 4,078,740 members; since then it has steadily declined except for a spurt from 2,126,796 members in 1933 to 3,045,347 members in 1935. Nevertheless those labor progressives who envisage the end of craft unionism are merely kidding themselves. Craft unions have demonstrated their survival qualities through long years of labor struggle. And they have demonstrated their peculiar adaptability to specific industries.

The Employers

For decades the traditional attitude of management toward unionism was best exemplified by the policy of steel. On June 17, 1901, the Executive Committee of the United States Steel Corporation laid down the following rule: "That we are unalterably opposed to any extension of union labor, and advise subsidiary companies to take a firm position when these questions come up and say they are not going to recognize it, that is any extension of unions in mills where they do not now exist; that great care should be used to prevent trouble, and that they promptly report and confer with this corporation." To sustain this policy the steel corporation has, no matter what the cost, made a practice of crushing embryonic labor organizations once every ten or fifteen years, in order to retain unchallenged absolutism. For always, despite the protests of the labor unions that wages are the basic consideration, management has insisted upon treating unionism as a challenge to absolutism. So far as they are concerned this is the main issue.

Until the advent of the C.I.O. management easily turned back the assaults of

trade unionism. Nor had industrial unionism, with the exception of the United Mine Workers of America and the textile and garment workers, been a match for management. Arrests, court action, rumors, the pulpit, and the press, all allied against labor, were more than adequate to turn back the attempts to unionize specific industries. And with labor divided within itself, management, with a community of purpose, easily suppressed the guerilla warfare of the A.F. of L. However, the C.I.O., with its organization geared to the new strategy of tieing up the entire industrial front, threatens to nullify the natural advantage of management.

In the General Motors sit-down strike, the C.I.O. demonstrated the effectiveness of this strategy which, beginning in a small glass factory, spread quickly to tie up the entire industry. Concurrently with this strike, which in its sit-down aspect was a flagrant violation of private property, management also found itself faced with a legal demoralization, an impartial press, and a vacillating political authority. It was a salutary lesson, and a harbinger of future labor wars which would require a new strategy on the part of management.

Perhaps the first positive example of a new management strategy was revealed on the first of March by the Carnegie-Illinois Steel Corporation. Assuming, at least for the sake of peace, that the C.I.O. is sincere in its protestations that it does not seek to interfere with management, the Carnegie-Illinois Steel Corporation opened negotiations with C.I.O. representatives for higher wages and shorter hours. It was the first time in fifty years that any unit of the United States Steel Corporation had dealt with an outside union. However, to insure themselves against recognizing the C.I.O. as the sole bargaining agency they have promulgated an impartial policy permitting them to bargain with all representatives of labor organizations within their plants. In a sense, labor's ensuing actions will be revelatory. Having attained the goal of higher wages and better hours, the C.I.O. cannot in the eyes of the employers, logically insist upon sole recognition without at the same time admitting that they seek *to control industry*.

St. Louis Post-Dispatch

LIFTING THE INDUSTRIAL LID

Management sees, at least, a partial success for its labor opponents in the future. And any change in the existing legal pattern may possibly present them with a complete victory. Already the popular government under President Roosevelt has demonstrated that for political expediency it would not scruple to secure a dominant position for labor through legality. Section 7a of the now defunct N.I.R.A. specifically guaranteed the workers the right to collective bargaining through representatives of their own choosing. At that time a determined resistance engineered by management succeeded in frustrating all efforts to apply this principle. But in the future the politicians may not be so cowardly. Successive popular victories at the polls will demand positive action. It is in this possibility that business management perceives a threat to its position. Under the existing legal framework the threat of union blackmail, entry and forcible seizure by means of the sit-down strike, can be easily met with injunctions and arrests. Unfortunately, this will breed prolonged legal

squabbles that may arouse the people to the extent where they will demand basic changes in the legal theory governing private property. Such a result would be damaging to the absolutism of management. No one doubts that, with legal levers, the C.I.O. or a similar organization would quickly expand the authority to dictate wages and working conditions to the authority to dictate industrial policy. And it must be repeated that wages and hours are not the main issues. However benevolent the protests of labor leaders, the potentialities of their program to unionize industry, once realized, will, according to the employers, deliver a dangerous power into their hands.

But what practical solution of this chaotic situation is accessible? Here in the United States the problem must be quickly resolved before the destructive disputes sicken the social, political and industrial structure. Labor must exchange the right to strike for legal safeguards. In return management must respect legality without recourse to technical contravention.

English and French Examples

American employers have often looked to alien labor laws with an envious sigh, and have remarked upon the sagacity of the English in particular. And they are right in doing so. However, American labor is ominously silent on the subject of English labor laws. For, in 1926 English labor overplayed its hand by calling a general strike that failed miserably. Governmental action, riding the crest of an unfavorable popular reaction against labor, imposed restrictions on the defeated trade unions that virtually eliminated them as a factor in either politics or industry. The now famous Trade Disputes and Trade Unions Act, 1927 is considered by some the tombstone of British trade unionism.

With British labor prostrate, unable to do more than murmur a curse, the act outlawed strikes if they "had any object other than or in addition to the furtherance of a trade dispute within the trade or industry in which the strikers are engaged." And it is within this simple statement that the weapons of British labor solidarity are entombed. Sympathetic strikes are forbidden, industrial strikes are ruled out; and this in the face of interlocking directorates and absentee ownership. For "a trade dispute shall not be deemed to be within a trade or industry unless it is a dispute between employers and workmen or between workmen and workmen, in a trade or industry, which is connected with the employment or non-employment or the terms of employment, or with the conditions of labor, of persons in that trade or industry." It is this legal clarification that is the divisional wedge. The terminology completed the dismemberment of British labor solidarity. The bluntest or the most subtle interpretation of this clause could do no less than declare illegal any attempt to bargain with industry as a whole. The ancient British policy of "divide and rule" would seem to be as applicable to domestic problems as to foreign ones.

The act further states that a strike is illegal if it "is a strike designed or calculated to coerce the Government either directly or by inflicting hardship upon the community." Examining this clause, is it any wonder that British labor has remained supine in the face of a Government policy that compromises the very principles of labor's existence? By this legal token, British labor is a toothless crone, deprived of its most effective lever and shackled by a legal chicanery.

Nothing has been ignored in the act, either pertaining to the past or future. Even the sit-down strike under a liberal interpretation would get short treatment. Picketing, of course, is eliminated with the stroke of a pen. "It is hereby declared unlawful for one or more persons (whether acting on their own behalf or on behalf of a trade union or of an individual employer or firm, and notwithstanding that they may be acting in contemplation or furtherance of a trade dispute) to attend at or near a house or place where a person resides or works or carries on business or happens to be, for the purpose of obtaining or com-

municating information or of persuading or inducing any person to work or to abstain from working. . . ." So much for picketing; as for the sit-down: one or more persons "attending at or near any house or place in such numbers or in such manner as is by this subsection declared to be unlawful shall be deemed to be a watching or besetting of that house or place within the meaning of section 7 of the Conspiracy, and Protection of Property Act, 1875."

The fathers of the act overlooked no contingency. First, they sanitized the revolutionary character of labor solidarity; secondly, they neatly destroyed any solidarity that might be inherent in multiple labor organizations; and thirdly, they proceeded to incapacitate the political power of labor. In the following excerpt from the act, some may find a partial explanation for the peculiar impotence of the present-day British Labor Party. "It shall not be lawful to require any member of a trade union to make any contribution to the political fund of a trade union unless . . . he has delivered at the head office or some branch office of the trade union, notice in writing in the form set out . . . his willingness to contribute to that fund and has not withdrawn the notice."

American labor leaders, aware of the severity of the English law, must see their own future reflected in it. The insurgent course that they have chosen will lead inevitably to the same curbs. Or, if they manage to skip this phase of capital and labor they will come to the same or a similar solution to the one the French authorities have recently applied. In French industry and commerce all collective labor disputes must be submitted to conciliation and arbitration procedure before any strike or lockout is declared. The decision of the arbitrators and the grounds upon which it is founded is rendered publicly and is without appeal. In case the need arises for the appointment of a referee, on default by the parties or the first arbitrators from being heard respecting their choice, the referee will be appointed from among the active or retired members "of the great body of the state." Although the French law is severe in essence, it is in this latter phase that the Frenchman's political power is preserved. And he has also been allowed to preserve the integrity of labor solidarity, since the arbitration shall have as its object, not only the preservation of property rights, but the preservation of syndical right and liberty.

NEA Service

NEXT TIME WHY NOT HAVE THIS SITDOWN FIRST?

The U. S. Government

Employers and labor are at one as regards the cost of strikes. The loss to wage-earners during the 44-day General Motors strike was estimated at nearly $1,000,000 a day. The Pacific Coast seamen's strike cost all parties an aggregate of $700,000,000 during the 99 days of its duration. This is just where the public interest comes in. For it is not an isolated issue between employers and employees. With the entrance of the national industrial union, strikes take on greater proportions and exercise an added influence upon business conditions. At the same time, the public demands decent standards of living for labor and the regularization of capital-labor relationships. This raises a further problem. Unions and

employers are perfectly capable of "ganging up" and making the consumer pay; for instance, the General Motors Corporation estimated that the closed shop would add 20-25% to the price of cars, while steel employers are also looking forward to a price rise. In short, the consumer will be asked to foot the bill for unionization, a circumstance which, in addition to its detrimental effect upon recovery, will leave labor where it was before.

Just now, the Government, which is erected to represent the public interest, is merely on the sidelines of the labor issue; the real issues are being fought out between the employers and the workers, both using all the means at their command.

Section 7a of the N.I.R.A. established the regularization of labor relations through collective bargaining as the Administration's policy. That policy collapsed with the end of the N. R. A., and the unions initiated under it were left to fare as best they might.

The National Labor Relations Act, passed in July 1935, set the Federal Government's guarantee upon "the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment." Further, the law states that the bargaining representatives selected by the majority of workers in an appropriate unit "shall be the exclusive representatives of all employes in such unit."

However, the N. L. R. A. has been patently ineffective. This for several reasons: as in the case of the General Motors strike, the unions have hesitated to call an election to determine who shall be the collective bargaining agency, for fear of not obtaining a majority or with the hope of obtaining more members with the progress of the strike. On the other side of the medal, employers have consistently opposed the machinery established by the act, in order to prevent the advent of an "outside" union. But the main shortcoming in the act has been constitutional—a situation which employers have been quick to exploit. The work of the National Labor Relations Board has been constantly hindered by injunctions, and today there are five cases before the Supreme Court upon whose decisions the fate of the N. L. R. A. depends.

In the meantime, many strikes have been settled through the conciliation service of the Department of Labor; there is said to be Presidential support for Miss Perkins' suggestion that the Labor Department be empowered to investigate disputes, subpoenaing witnesses and taking testimony under oath, and to make recommendations for settlement on the basis of findings which should be made public.

Again, there has been the admirable record of the National Mediation Board in respect to railway labor disputes. Despite conditions which have led to strikes elsewhere, the board was able to present a clean record in its report on the last financial year. Three neutral mediators, working under the Railway Labor Act, which guarantees collective bargaining, comprise the machinery of what may point a way to a solution of the larger problem.

Labor, capital, and the Administration are opposed to compulsory arbitration. But two obstacles stand in the way of a solution short of this step. No machinery can be established until the question of union recognition has been settled. And the courts can take the responsibility for cutting short the Administration's labor policy at a time when it was most needed.

I LIVED IN MADRID

An American war-correspondent recalls the horrors of the weeks of the siege

BY LESTER ZIFFREN

LANGUOROUS, blissful Madrid sprawled lazily in the blazing sun July 17, 1936, unconcerned about the future, tranquil, unmoved. Three days later it was awakened by the explosions of cannon fire and the spatter of rifles within its gates. Courageous youths, poorly armed, quelled the uprising with sheer boldness and bravery, and restored a tense quietude. Forty days afterward the city and its defenseless citizens experienced their first air raid, one of the many to which they were to be subjected during the following months.

The Madrilenos have lived within gunshot of the rebels. Their lives have been in constant danger. They have been without heat or hot water for months. Necessities of war made a city of a million forego its food necessities, so that the defending army of thirty to fifty thousand men might have enough provisions to keep them physically strong enough to prevent the city from falling into the hands of the insurgents. Cold and underfed. Madrid stoically nibbled at its beans, lentils, cauliflower, and rice in stone-cold rooms and houses and wondered whether there would be an end to this seemingly endless struggle.

The world asks, "Why don't they leave?" I asked the same question of many Madrilenos who declined to accept the government's offer to evacuate the city's population to the Mediterranean coast. They used to reply invariably, "Where can we go? We cannot begin life over again. All we have in the world is here. We prefer to die rather than start again at scratch." Probably a half million civilians still remain in the capital, including many women and children, despite the government's campaign to persuade the noncombatants to leave. They prefer to risk death rather than seek their fortunes elsewhere.

The Spaniard seems to possess a complete disregard for life. They believe a man is measured by his courage and indifference to injury or death. It is the brave bullfighter who wins the most contracts. The fatalistic philosophy of the matador seems to have pervaded all Madrid.

Business During the War

If the rumble of gunfire had ceased, a visitor to Madrid would have found the besieged city going about its business almost normally. He would wonder at the smashed store windows along the entire length of the Gran Via, Madrid's Broadway, but he would find the stores open half a day with some business still being done. He could still find a tailor to make him a suit and shirtmakers and bootmakers ready to meet his needs. Streetcar and subway service continued normally with women as subway conductors to replace men gone to the battlefront. The newspapers, cramped by lack of paper, published only one sheet printed on two sides. Advertising virtually disappeared. Foreign news was extremely limited, due to want of space. The news of President Roosevelt's reelection got two or three paragraphs. Only four cinemas were open and they were showing Russian propaganda films under the sponsorship of the minister of public instruction, who is a member of the Communist party. No theatres operated.

The stock market was closed since the beginning of the war, while banking operations were paralyzed. The single American bank in Madrid refused to accept deposits.

Withdrawals were limited by decree to 750 pesetas (about $100 U. S. in normal times) per month, and permission for withdrawals had to be authorized by the workers' committee organized in each bank.

The food ration card system was established in order to assure equal disposition of provisions at no raise in prices but queues of women and children braved wintry winds from early morn to late afternoon, waiting for a few pounds of coal or extremely limited purchases of beans, potatoes and rice. Air raids failed to frighten them out of their places in line. Hunger had overcome fear. The countryside near Madrid was scoured daily for provisions but the bulk came by motor truck and in burro-drawn carts through the night and from points along the Madrid-Valencia highway. Food shops were open in the mornings and all other stores during the afternoon. Employes underwent military training during their free half day.

Few restaurants were doing business and these few had only limited supplies. In the old days the Madrilenos used to lunch at two o'clock in the afternoon and dine at ten o'clock. Nowadays if they are restaurant goers they lunch at 12:50 or 1 P. M., and dine at 7:30 or 8 P. M. Since bed was about the only warm place in any home, most residents were there by 9 P. M. Before the war it was an exceptional Madridite who retired before 2 A. M.

No one could be on the streets after 10 P. M., without a special pass. This authorization was given newspaper men by the councillor of public order of the Madrid Defense Junta and it read:

> "Don John Doe is hereby authorized to circulate in Madrid at any hour of the day or night, due to his occupations in defense of the Republic. The Vigilance forces are hereby ordered not to cause him any inconvenience."

If a pedestrian on the streets after curfew hour did not possess this pass he was subject to arrest.

When I left Madrid American cigarettes which cost 45 cents a package were unobtainable and the cheaper Spanish cigarettes were becoming exhausted. There were no matches, and flints for lighters were extremely scarce. The cigar supply also was becoming smaller.

The greatest inconvenience of all, however, was the lack of coal. Most of Madrid's fuel came from the Asturian mines, but the territory between Madrid and Asturias was in the hands of the rebels and large quantities to meet the needs of the civilian population could not be brought into Madrid, so we suffered along without it. Foreign war correspondents used to lunch together in the grill of the Gran Via hotel just across the street from the central telephone exchange where we used to work and phone our stories abroad. We ate in our overcoats because there was no heat, and the meals consisted almost daily of beans, lentils, cauliflower, pickled sardines of unknown age, potatoes, cakes, and fruit. This became too much for me, and I transferred my allegiance to the United States Embassy boarding house where we ate in the cellar off a large table covered with oilcloth, with the aid of tin forks and knives.

Suffering "Beyond Description"

As a result of the lack of coal many Spaniards smashed their furniture into kindling wood, and I used to see others cutting down trees on public boulevards such as the Paseo del Prado, in front of the Prado museum, for firewood. The suffering the Madrilenos have experienced is beyond description. They have manifested extraordinary courage and character and my admiration for the Spaniards increased twofold as I saw them make the greatest sacrifices in defense of their homes.

Early in the struggle many young women joined the ranks and shouldered rifles. The foreign press called them the "Red Carmens." They were brave and cool under fire but the presence of women at the front didn't prove satisfactory and most of them were withdrawn. Only a few remain and they are models of circumspect conduct, courage, and efficiency. One of them, Consuelo Rodriguez, a tall, strongly-built, charming Madrid girl, who left an office

Triangle

AFTER A BOMB ATTACK: A woman, wounded during a Rebel air attack, is helped into an ambulance. After the attacks the "streets were covered with debris and bodies of men, women, children, and mules. Ambulances rushed over the rock and stone carrying off the dead and wounded."

job to shoulder a rifle, was one of the most capable aides of the commander of the Cavada battalion. Lieutenant Colonel Cavada told me she was one of his bravest fighters. She was modest, unassuming, and altogether a remarkable person.

Air Raids Most Terrifying

Strangely enough the fierce, tortuous obligato of fire from artillery pieces, rifles, machine guns and hand grenades did not prove as frightening as the air raids. The tri-motor rebel bombers, mostly silver Junkers, used to come over the city almost daily shortly before 9 A. M. and between 3 and 4 P. M. There were so many incursions that I lost count. Night raids were thrown in for good measure and they were the most terrifying. Anti-aircraft machine guns and cannon were located atop most of the high buildings, but I never saw one hit its mark. When air raids were a new phenomenon, motorcycle policemen used to dash through the streets shrieking their sirens, warning the civilians to take cover. But this practice was abandoned when the sirens proved more alarming than the raids. The extraordinary Madrilenos disregarded them and preferred to remain in the streets to see the sinister visitors and the inevitable air flight if loyalist planes appeared. A few serious raids caused the curious spectators to duck to shelter, but five or ten minutes later they would be out in the streets again anxiously inquiring as to what damage was done and where. Street vendors of caps, pipes, gloves, toys, shoestrings, and newspapers would return to their posts and recommence hawking their wares.

I recall a morning raid which concentrated on the ministry of agriculture

off the Plaza de Atocha, as an example of the coolness of the Madrid population. The planes apparently were aiming for the anti-aircraft guns on the roof of the ministry and they hit about everything else. The entire street was torn up by the force of the terrific explosions. Apartment buildings were wrecked. Some looked bloated as if they were brick balloons. One bomb hit a water main and the water shot high in the air. Two immense marble columns in front of the ministry were split in two and the grilled railing around the building was bent crazily. Windows were smashed for blocks around. The entire street was covered with debris and bodies of men, women, children, and mules. Two motor trucks parked in the street caught fire and were in smoke. Ambulances rushed over the rock and stone carrying off the dead and wounded. Large blood clots left by man and animal dotted the sidewalks and street. And hundreds of curious stood about commenting on the wreckage and destruction and cursing the planes! If the raiders had returned suddenly they could have killed off several hundred more.

In the Wake of the Bombs

The Arguelles and Rosales districts were the worst sufferers. The destruction wrought there by bombs and shells was tragic. Scores of homes and apartment buildings were left in shambles. None escaped the fury of the raiders. Many caught fire from incendiary bombs. The belongings of hundreds went up in flames. After a 3 P. M. incursion one day, I went through the stricken area to see the bombs' effects. The streets were completely covered with broken glass, torn telephone and power lines, branches, bricks, dirt. Building after building was in ruins. One bomb struck a garage, ripped off the roof and left a red motorcycle standing upright in a heap of debris. A church was hit and children were digging in the ruins for kindling wood. A block away a building which once was an orphan asylum was in flames. A tearful woman pointed to an apartment house. "There goes our home." Her two young, terrified children clung to her dress rubbing their tears away with their tiny fists. Up the street lay what was once the model prison. Further on was University City where fighting went on day after day and where millions and millions of pesetas worth of buildings which were to form part of the finest university group in the world stood in ruins.

The walls of a square three-story building were all that were left of the home of the late Emilia Pardo Bazan, a well-known woman writer. The roof and floors had collapsed and the wreckage was piled high within the windowless home. A plaque on the wall near the entrance read, "Here Lived and Died Emilia Pardo Bazan."

The raids provided me with the most beautiful sight and the most frightening night of the war. One moonlight evening I was driving down the broad Castellana avenue to my office when the anti-aircraft guns opened fire. I could see a lone silver plane playing hide and seek in the clouds as the red tracer bullets of the anti-aircraft weapons arched their way in quest of the slippery invader. As the silver aircraft sped from behind a cloud and appeared against the dark blue of the sky with the red bullet on its tail, it furnished a gorgeous picture of contrasts.

The terror of the night raiders was never greater than on the night of November 17. I had been at the Palacio de Liria, the finest home in Spain, property of the Duke of Alba, Spain's bluest-blooded noble, and seen it go up in flames when an incendiary bomb hit it. The red tongue of fire shot into the air and with the blaze at the nearby Montana barracks and a block of apartment houses, the entire sky was scarlet. All Madrid seemed aflame. The city was to experience its greatest ordeal. As I returned to the center of the city the unseen bombers returned and dropped their deadly cargo. A hundred feet away from my car, a bomb tore a hole in the side of a five-and-ten cent store and ripped the street from sidewalk to sidewalk with a jagged hole thirty feet deep. All windows in the vicinity were broken. Glass covered the Gran Via.

Triangle

THE LOYALISTS REPULSE AN AIR RAID: "The extraordinary Madrileños prefer to remain in the streets to see the sinister air visitors and the inevitable fight." Citizens of Madrid hail the defeat of the Rebel planes in one of the raids over the city.

I moved toward the Plaza del Carmen, behind the Gran Via hotel, where a typical vegetable, meat and fish market, conducted by modest businessmen, was in flames leaping fifty feet. More "visiting cards" from the planes drove me into a fish store where I found several aged women dressed in black, muttering their fear. I helped them into the cellar. One kept saying, "mi hija, mi hija—my daughter, my daughter," as I grasped her arm. Another kept a handkerchief in her mouth to keep from crying aloud her fright.

I ventured to the street where I saw a new and terrifying sight. All over the central part of the city, great areas were suddenly lighted up by calcium bombs, used for the first time. On rooftops and in streets a deafening explosion was followed by a glow of almost unbelievable brightness. The calcium flames roared and ate into the roofs, walls, streets. Firemen turned hoses vainly on a few fires. Militiamen, confronted with an enemy more terrible than the Moors and foreign legionnaires trying to take the city, fought the blaze in the middle of the streets with sacks of sand, with their coats, even with their bare hands. Bits of bricks and mortar flew through the streets, into the already shattered windows of apartments and office buildings. Women and children ran screaming back into buildings when even the streets seemed on fire. The calcium bombs spread a powder which gave off a greenish light as it ran along the avenue and on roof tops.

Broadway of War

The insurgent planes returned and the fires their new bombs had started gave

them new targets. In a few minutes the entire Gran Via in the vicinity of the American-owned telephone company building, the highest in the city, was lighted up. Madrid's main street was illuminated by bombs as Broadway never was. Clouds of smoke began to fill the sky and provide a background for the flames. Some of the calcium burned through the roof of my parked car and destroyed the seat before the flames could be extinguished. I returned to the Plaza del Carmen which was literally an oven one block square. Militiamen sweated and heaved trying vainly to douse the flames with buckets of water. The surrounding buildings, including a church, also caught fire. The heat was terrific. I moved southward down a narrow street towards the Puerta del Sol, the Times Square of Madrid. Two bombs hit the square, ripped up the streetcar tracks and tossed them twenty-five yards, set fire to buildings alongside the ministry of finance on Alcala Street, smashed through the subway, and left two huge holes about fifty feet deep and fifty feet across. Another bomb fell in Carrera san Jeronimo tearing up the pavement from sidewalk to sidewalk while water spurted high from a broken main. Women and children ran shrieking from their homes. Some of them reached safety, others ran to their death.

At midnight, the calcium had died out. But the night was terrifying still. Long tongues of ruddy flame were shooting up into the sky. Men rushed from their homes with blankets and treasured belongings and joined their families huddled in doorways. I could find nothing to eat that night because the raid frightened the few restaurants into closing. I decided not to try to get home because trigger fingers on a panicky night such as this were apt to be a bit nervous. I slept in a small out-of-the-way hotel and arose at dawn to see the results of the bombing. Smoke still issued from the destroyed buildings while refugees who had lost their homes sat wrapped in blankets weeping over their misfortune. I saw one fellow who had succeeded in saving a case of champagne and a woman who had saved her books and was carefully placing them on an old chaise she had placed in the middle of the street. I had seen the tragedy of poor peasants forced from their homes by the onrush of war, their pathetic flight in burro-drawn carts, seen their tears and their grim, lined faces and heard their laments. But nothing was worse than the air raids which resulted in scores of dead and wounded and drove hundreds of people out of their humble homes.

The following night I made a broadcast to the United States for one of the two principal American broadcasting networks. As a precautionary measure against another raid, I spoke before a microphone in a bomb-proof cellar instead of the regular studios of the Madrid station.

When the war broke out I believe everyone expected it to be just another revolution, quick in triumphing or quick in being quelled. As it dragged on and we learned that Germany and Italy had decided to furnish the insurgents with arms and airplanes, it became evident it would last for some time. Everyone began to lay in emergency supplies of foodstuffs. Grocery stores did a land office business. By November there wasn't a single can of sardines available in Madrid. Fears that the water supply might be cut off caused many residents to keep bottles, buckets, and bathtubs filled with water, but there was never any need for this precaution. The militia kept the reservoirs well guarded.

Taboos of War

Curious things occurred in Madrid illustrative of the temperament of the people and the gravity of the situation. For some unknown reason hats became taboo for both men and women. Someone said persons who wore hats were aristocrats and therefore the enemies of the proletariat. Whether this was true or not, the fact was that Spaniards did not wear hats. I did not see a single woman wearing a hat until I reached the French border. Only foreign men wore head coverings but they were so few, they didn't count. In September I

went Spanish and purchased a *boina*, a beret. The Spaniards laughed at the American in the blue Basque beret, but a few weeks later men's shops reported they had exhausted their supplies of this product because the public found the beret not only warm and comfortable and handy but also made hats unnecessary.

Fear of reprisals caused many Rightists, especially the young men, to shave off their mustaches because the young leftists regarded such hirsute decoration also as too aristocratic. Others went tieless and coatless in order to appear more proletarian, while still others sought to mask their identity with colored glasses. I knew one very wealthy horse breeder who used to patronize the best bars heavily, especially Chicote's, which used to be called the hangout of the "senoritos" or wealthy, idle, young men. He doffed his tie and hat and confined his drinking proclivities to the cheap bars. Incidentally, Pedro Chicote, the bar owner who was as popular with Lefts as with Rights, was caught abroad when the revolt broke out with a small amount of money. He had gone to the Olympic games at Berlin and decided he ought to remain out of the country until the war was over, but it went on and on and today he is in London, broke and jobless, living off the charity of friends. Pedro owned the bar in the parliament building, another in an aristocratic club in Madrid, another in San Sebastian, but as a neutral barman he didn't want to take sides.

Foreigners were not molested by the militia unless they were suspected of hiding Spanish Rightists. I personally never had any serious difficulties although several of my office staff were arrested, but we succeeded in securing their liberty without too great a delay. Various foreigners sought to become Scarlet Pimpernels. Some succeeded. I believe it is fair to state that foreigners came off fairly well, generally speaking, although some Latin Americans, and possibly some Germans and Italians got into serious trouble. A few, unfortunately, were killed. The murder of sisters of the Uruguayan vice-consul provoked the break of diplomatic relations between Spain and Uruguay.

A Letter from Quintanilla

The police visited me on several occasions in connection with my incoming mail. All incoming and outgoing mail was censored. On one occasion two secret police appeared and questioned me about a letter I had not received from my insurance company. The firm wanted my signature for some formality or other and the police wanted to know what it was all about. Since I did not have the letter I could not answer their questions, but they were polite enough. I got my revenge not long after when a letter from an American friend was opened by the censors and the secret police appeared. The message according to them mentioned one "Luis," and they wanted to know his identity. I said I assumed it referred to Luis Quintanilla. The police asked, "Who is he?" I took advantage of the opportunity to berate their ignorance because Quintanilla is one of Spain's leading artists, an ardent Socialist, formerly chief of a militia barracks and the man who hoisted the Republican tricolor on the former royal palace at Madrid on the historic April 14, 1931. The police left in silence.

During the war I had become accustomed to lack of food, the daily bombing and shelling, the absence of heating, the lack of hot water. The body adjusted itself to the increasingly bad conditions. But after I arrived in France a severe physical reaction set in. I saw persons living calmly, eating tranquilly and as much as they desired, free from the fear of bombs and bullets. When persons questioned me about Spain, I felt miserable and mournful. I began to suffer from nightmares. My dreams were of horrors. I used to wake several times a night in a cold sweat. If I could sleep four hours I was fortunate. For such are the after-effects of living through a veritable hell in a city which had survived days and nights such as no city in history has endured.

MOSCOW LIKES MILLIONAIRES

The Russians take to the high hat diplomats and admire our Mr. Davies

BY EUGENE LYONS

IF PROOF were needed of the curiously romantic notions about Bolshevik Russia held by the average American, it has been provided in full measure by the widespread criticism of the appointment of Joseph Davies as Ambassador—and even more so, Mrs. Post Hutton Davies as Ambassadress—to Moscow. Editorial comment and dissertations in the syndicated columns of distilled wisdom mostly implied an aggressively proletarian government, in overalls and blue denim, distressed to nausea by the sight of a genuine millionaire. The commentators rested comfortably on the assumption that the Kremlin leaders were chagrined by the selection of wealthy American plenipotentiaries and by the insult to the Five Year Plans involved in the forwarding of carloads of canned goods, even unto frozen cream, in advance of the Davieses themselves.

All of which is fanciful nonsense. Having been fairly close to the diplomatic corps in the Soviet capital as well as the Foreign Office during six years as a correspondent there, the writer asserts boldly that our government's choice is even wiser than it realizes. The newly powerful, like the newly rich, are thin of skin. Nothing goes more against the grain of the Soviet hierarchy than the efforts of foreigners, whether individual tourists or Great Powers, to "dress down" to a supposed proletarian level. Besides, Moscow simply adores foreign millionaires, having disposed summarily of its own crop. They have money to spend, throw good parties and in general provide the contrast which Russians, having a weakness for the histrionic and melodramatic, always relish.

In my first year in the Soviet I did not possess any dress clothes—it had not occurred to me that such counter-revolutionary garments would be of any use outside of a historical museum in the U. S. S. R. But I learned my mistake quickly enough and ordered an ensemble in Berlin. Without formal clothes I would have been barred from the government's ball on November 7 in celebration of the anniversary of the proletarian revolution! I shall never forget the bitter disillusionment of a visiting reporter representing a Communist paper in New York who found himself excluded from the anniversary reception because he did not own a dress suit.

Capitalist governments have on occasion made the equivalent blunder. They arrived in Moscow, as it were, without their stuffed shirts, only to regret the error in judgment. They discovered in a hurry that Moscow expects from a capitalist nation a capitalist ambassador with all the bourgeois trimmings, rather than a denatured and watered-down specimen of the breed. Anything less than the genuine article the Soviet regime is inclined to receive suspiciously as a veiled slight on its dignity and a condescending pat on the back.

This preference has a stronger basis, indeed, than mere dignity. Soviet experience with liberals and near-radicals from the capitalist world outside has been consistently unsatisfactory. Radical tourists or delegations always make Russian officialdom uneasy, if only because they bring along too many brittle illusions and fragile misconceptions. An out-and-out capitalist, expecting bears on the highways and strangulations in the byways, soon admits

that things are really not as awful as he expected, whereas the naïve enthusiast finds the reality less wonderful than the dream. A financier or manufacturer for whom the working classes are so much dirty ore for the extraction of golden profits easily takes the hardships of the lower orders, their regimentation, their undernourishment, their barracks, etc. in his stride. For him that is as things should be, and he is even inclined to give the Kremlin credit for "getting away with it." His liberal compatriot, on the other hand, gets into a stew about concentration camps, fantastically low standards of living and other aspects of Russia's untidy half-way house between Communism and capitalism.

The American Press in Russia

The Soviet authorities are by this time good and sick of socially-minded foreign correspondents with a labor or radical background. The Chicago *Daily News* once sent in its Leftist member of the foreign staff, Carroll Binder, to report Moscow. Binder had started his career as a labor journalist and was decidedly liberal in his social orientation. A few months of Moscow sufficed to cure him of his preconceptions about the Communist nation and the disappointment was unavoidably mirrored in his dispatches. The Press Department breathed more freely when he departed to be replaced by a reporter without any preconceptions to cure. That is in essence the case history of a good many other correspondents.

At the time I was withdrawn from Russia by the United Press, Foreign Commissar Litvinoff happened to be in America. Diplomatic relations between the two countries had just been established and the press agency, as sign of its good will, decided to designate as my successor a member of its London Bureau known to be exceedingly friendly to the Soviets. Was Comrade Litvinoff overjoyed? Far from it. He turned thumbs down on the suggested appointment and asked instead for a United Press reporter whom he had met in Washington —a rather typical American newspaper

Sovfoto

MILLIONAIRE AMBASSADOR: *Joseph Davies arrives in Moscow and is photographed as he alights at the Belorrussky Railway Station. "The appointment of a run-of-the-mill capitalist blessed with plenty of unearned increment is likely to prove entirely to Moscow's taste."*

man without social enthusiasms, a fellow to whom Karl Marx was no more sacred and a lot less interesting than Harpo of the same name.

What applies to correspondents holds even more true for diplomats. Comrade Litvinoff could not very well turn thumbs down on William C. Bullitt as our first Ambassador to the Soviet state. But the assumption here that Mr. Bullitt's appointment filled the Bolshevik bosom with grateful joy was considerably exaggerated.

Moscow had the sad memory of another outspoken liberal sent as Ambassador of good will and the bitter finale. The British Government a few years earlier had thought to flatter and placate the Kremlin by sending in Sir Esmond Ovey, a man of advanced political views and wide human sympathies. For a brief period Sir Esmond constituted the Left Wing of the diplomatic corps. He brimmed over with apologies and encomiums for the Great Experiment. His desertion to the extreme Right Wing, once the process of disillusionment had set in, is now Anglo-Soviet history. The arrest and trial of a group of Englishmen, in the Metro-Vickers affair in 1933, found Sir Esmond so thoroughly and so volubly anti-Soviet that his government brought him home; but even in London the good-will ambassador continued to declaim against the Bolsheviks.

The Case of Mr. Bullitt

Small wonder therefore that the appointment of an American version of Sir Esmond in the person of the amiable and high-minded Mr. Bullitt was not accepted as an unmixed blessing. The Kremlin's apprehensions have been amply justified. The veils of diplomacy have obscured the extent of Mr. Bullitt's disappointment with the Soviet reality. But it is an open secret that his reports to the State Department were not nearly as rosy as Washington had expected. Our first ambassador was much too romantic, his psychologic fibre much too idealistic, for the hard-boiled facts of Soviet surveillance, Asiatic bargaining, and pervasive popular sufferings. Mr. Bullitt's partisanship for Russia dated back to the honeymoon of the Russian revolution, when he had taken a long draught of the fervor and hyperbolic hopes of Lenin's days. I saw a great deal of him during his brief visit in 1932, and know that he was still seeing Russia through the haze of that early intoxication. But the protracted sojourn sobered him and erased the haze. Like so many others who stayed too long and saw too much, he became too much aware of the seamy side of Stalin's dictatorship.

Mr. Bullitt's exit, I venture to guess, was a great relief to both himself and his hosts. And the appointment of a run-of-the-mill capitalist blessed with plenty of unearned increment is, by the same token, likely to prove entirely to Moscow's taste. Mr. Davies will be more concerned with the glories of an ambassadorship than the glories of an epoch-making revolution. He will eat his caviar and ice-cream (imported) without ideological squeamishness. He will offer the caviar and the ice-cream to his Russian guests without apologizing. What is more to the point, he is most unlikely to rummage in Soviet closets for skeletons.

Failure here to understand this is due, of course, to the melodramatic ideas still held by Americans about Russian revolutionists. Mr. Davies, like his predecessor, will find that they are not the long-haired, flame-eyed agitators of the popular imagination. That type has been "liquidated" long ago. He will deal with as hard-headed and practical and unromantic a lot as in any other capital, allowing for the peculiarities deriving from race rather than political faith. After all, there is much more in common between a Bolshevik of the current model, building his hydro-electric stations and trying to make both ends of the foreign trade budget meet, and an orthodox American business man than between that Bolshevik and, let us say, an editor of *The New Republic*. In fact, Russians of the American business man stamp are being put in charge of trading organizations while those of *The New Republic* editor type are being put in concentration camps.

Sovfoto

SOVIET CLOAK-ROOM: The top hats shown above belong to diplomats attending a meeting in the Government House at the Kremlin. The hat at the extreme right belongs to, or belonged to William C. Bullitt, who was Ambassador to Russia at the time this photo was taken.

The Appreciative Russians

The diplomatic corps in Russia, precisely because it feels itself isolated in an alien element, does not let down its capitalist morale. It is a little like the Englishman who dresses for dinner in the jungle, everlastingly jealous of the etiquette and style of its life. There are few capitals where the rigamarole of formal visits and rank and precedence is more meticulously observed. The Court of St. James is Bohemian by comparison. Mrs. Davies will find the ceremonial complete, if on a meagre scale.

And the Russians, far from being offended by such goings-on, join them with great pride and enthusiasm, and go their guests one better in the rigorous observance of traditional usage and in the largesse of their own functions. The lavish Soviet receptions in Washington or London or Teheran, outshining and outweighing all other nations, are by this time famous. Comrade Ambassador Troyanovsky's parties in Washington are almost a legend in their swank and opulence. This has generally been interpreted on the charitable theory of Bolsheviks in Rome doing as the Romans do -and doing it a little more grandly. I can attest that even in Moscow the Bolsheviks behave like patrician Romans. Whatever their politics, Russians relish that sort of thing.

A millionairess with a sweet tooth, one who handles her ice-cream ingredients and other confections by the carload, is the one thing that Moscow needs most, the one thing that it will most fully appreciate. As between Mr. Bullitt's revolutionary history and Mrs. Davies's frozen cream, the diplomatic advantages are overwhelmingly on the lady's side. President Roosevelt was well advised in making the appointment.

LAST LETTERS FROM SPAIN

FOLLOWING *are the last letters of Ben Leider, flying reporter for a New York City newspaper, who apparently was the first American volunteer to die in the Spanish conflict. Leider, who was 35, left a good position to serve with the loyalists under the name "Jose Lando." He was killed on February 19 in one of the bloodiest battles of the war in the Jarama River sector. His plane, struck by rebel anti-aircraft guns, fell into the enemy's trenches.*

Albacete, December 28, 1936

Dear Morris:

The tearful drama at home I can well imagine. It is a pain in the neck to me all the way out here. It must be terrific at close quarters.

It would be even more ridiculous if you knew how safe I am. In fact, I am living in a palace that belonged to one of the nobility. This is his stationery, and above his coat of arms. The sanctimonious parasite beat it when things got hot.

Three months here and there is no doubt in my mind as to the loyalty of the people to the anti-fascist parties that represent them in the "Frente Popular."

The Spaniards are a fine people—especially when they regard you as a friend. They are tough otherwise. But they lack the discipline and perseverance sorely needed in this struggle. * * * The heat of battle, however, is forging and tempering a revolutionary weapon composed chiefly of proletarian elements. The Spanish fascists can't win alone—and other European powers will not permit the conquest of the country by Italy or Germany.

Back of the lines you'd never think there is a war. Life goes on normally at the Spanish burro's pace—which gets you there *manana*—except for some trucks and people in uniform. There is no shortage of food although other articles have gone up in price.

Don't worry. I have more than enough of everything, and I wouldn't miss the show here for all the weeping of all the mothers in the world. * * *

Tell Mom I'm gaining weight—that should please her. J. L.

Murcia, January 31, 1937

Dear Will:

* * * I have just come back from a few drinks with some companeros from back home and I am in the mood for taking a firm stand like a moth-eaten statesman and making resounding statements.

As bad as I've turned out from the point of view of "practical" considerations, my safety margin is still greater than yours. * * * For reasons which you may guess I can't be more specific about myself, but things are happening fast; in fact, in a few days they will develop all of a sudden for me. In my own way, I am meeting my own requirements for peace of mind and self-respect. * * *

Sometimes I am as much in the dark here about the progress of the fight as you are at home. But I have seen tangible developments here in the direction of discipline, fighting spirit, skill, etc., which is beginning to set the Spanish people apart from other downtrodden peoples. And wherever I go—and I go places—I see evidences of deep-rooted social changes taking place which cannot be accounted for merely by some educational or propaganda program. This isn't Germany's Abyssinia. Something is going on here which the people have wanted for decades—and they are recognizing it as it happens! Once they get the idea, you can't kill it with bullets. The presence of the International Brigade—a growing force drawing its strength from those who are Frenchmen, Germans, Italians, English, Austrians, Czecho-Slovaks, Americans, etc.—speaks for the new line-up. Even after you make the necessary realistic deductions, you can say of that force, here is something which has happened for the first time in history.

An interesting sidelight on the activities of the Brigade is the universal disgust with the silly language difficulties the various units have. It's just another lesson in fundamentals.

There are no children running wild here as the result of the strife. The kids here often remind me of Irene, Billy and Jimmy—which is a cheerful and hopeful thought to close with.

My love to all. J.

P. S. Tell the folks you heard from me.

Guadalajara, February 12, 1937

Dear Max:

I haven't addressed anything specifically to you because all my letters are meant for the whole family.

I haven't much to add to what I have written previously, except that the situation is fluctuating here—sometimes for the better, sometimes otherwise.

My work here continues without much change. I am well and feeling fit. Tell Jimmy I think of him often. And remember me to Sam and his family. Tell them I haven't much time for writing.

The architecture in Spain would interest you—but only from a historical point of view. After the Hotel New Yorker, the Salmon Towers, etc., the old feudal castles, the jammed towns, with their crooked narrow streets, would appear to you as so many mud piles. There seems to be very little cement available here, but plenty of clay. However, it is all very picturesque—that is, it would be in peace-time.

Reassure the folks for me—and love to all.

J. L.

THE AMERICAN PEASANT

The farm tenant is still the least remembered among the forgotten men

BY WAYNE GARD

DESPITE the many types of forgotten men whose emergency needs were satisfied by the first Roosevelt administration, the wail of the tenant farmer reaches Washington almost as loudly as in the panicky days of early 1933. Large government checks for crop reduction have been going into the pockets of landlords, but only dribbles have reached the tenants who do the actual work of plowing and harvesting on nearly half of the nation's farms.

In no previous period in the country's history has so small a proportion of the farm land been owned by those who cultivate it. The startling increase in the per cent of farms operated by tenants, from 25.6 in 1880 to 42.1 in 1935, reveals a strong trend away from the rugged independence of the homesteader and toward an un-American system of peasantry. The problem of reversing this trend recently was taken up by a special committee headed by Henry A. Wallace, and the reduction of farm tenancy is one of the major tasks before the present Congress.

As President Roosevelt pointed out in transmitting the tenancy committee's report to Congress on February 16, the American dream of the family-size farm has become so remote that action to provide security is imperative. To remedy this situation, he asked for retirement by public agencies of land unsuited for farming, credit assistance for those wishing to buy farms or in danger of losing them, and co-operation with State and local bodies to improve the leasing system.

The slight decline in five years from the tenancy figure of 42.4 for 1930 does not represent any real improvement in the situation. In this period, mortgage foreclosures increased farm tenancy in nearly all States outside the South. The latter region lost nearly 70,000 colored tenants, but few of these became land owners; most of them joined the ranks of wage hands or relief clients.

A certain amount of farm tenancy is reasonable and not undesirable. Unless he inherits money or land, a young farmer usually must rent for a few years before he buys a farm: but this kind of tenancy would account for only about fifteen per cent of the farms. In 1935, only the New England States, New York, Utah, and Nevada were below this figure. Even in the rich corn lands of Iowa, nearly half the farms, 49.6 per cent, were being cultivated by renters; this was more than double the proportion for 1880.

In the cotton belt, where farm tenancy has been a social cancer for decades, the figures are still higher, rising to 69.8 per cent in Mississippi. In addition to having a larger proportion of tenants than other regions, the South is saddled with an unusually vicious system of tenancy The corn or wheat tenant usually is a cash renter; at any rate, he takes a large share of the risk and receives a corresponding share of the profit in good years. The typical cotton tenant, on the other hand, is an almost hopeless share-cropper, who is burdened by debt and disease and who, in a large proportion of instances, does not even own the mule with which he plows. Under present conditions, few cotton tenants have much chance to become farm owners.

The share-cropper system was a makeshift that grew out of conditions incurred by the Civil War and Reconstruction.

Times Wide World

GEORGIA TENANT FARMER: *". . . investigators are convinced that the tenant's laziness is a remediable result of malnutrition and disease and that when he is improvident it often is because he sees no hope of bettering his condition by trying to provide for the future."*

Planters, left with large estates but deprived of their former help, adopted the plan of parceling out their land to former slaves and poor whites, most of whom had to be provided with tools, work animals, and even food. At first, most of the share-croppers were Negroes; but gradually these came to be outnumbered considerably by whites. The relatively helpless condition of these tenants tended to keep them in perpetual debt and to develop a paternalistic and sometimes arrogant attitude on the part of the planters.

Hierarchy of Tenancy

Of course, not all cotton tenants are at the bottom of the economic scale. The South has developed a whole hierarchy of tenancy, in which the highest type of tenant is the renter who provides all equipment and work animals, takes care of the operating expenses, and pays his rent in a previously fixed amount of cash or cotton. The cash renter suffers few of the evils of tenancy, but in the South he represents only an almost negligible proportion of tenants.

Next in order is the share tenant, who also provides his equipment and work animals but may require the landlord to furnish part of the fertilizer. But he pays his rent on a share plan which usually gives the landlord a fourth to a third of the crop. At the bottom is the share-cropper, who has no capital except a little worn-out furniture. He provides only his own and his family's labor and perhaps part of the fertilizer. The landlord must supply him with tools, work animals, and seed; and usually he must advance on credit most of the food for his family. The share-cropper pays half his cotton as rent, and he is lucky when the other half is enough to take care of debits the landlord has charged against him. More than a third of all cotton tenants, and more than half the Negro tenants, are croppers.

The miserable and unsanitary homes of the share-croppers, white as well as black, have been described many times. Several years ago, a writer in the Dallas *News* asserted that "the squalid condition of the

cotton raisers of the South is a disgrace to the Southern people. Their children are born under such conditions of medical treatment, food, and clothing as would make an Eskimo rejoice that he did not live in a cotton-growing country."

The typical cotton tenant's house is slapped together with boards discarded by a sawmill and never knows the feel of a paint brush. The roof leaks, even when new; and few if any of the rooms are ceiled or plastered. Window glass is a luxury enjoyed by few croppers, and there seldom are screens to keep out the flies. The tenant family of five or six persons lives in a three-room shanty. Many of the Negro croppers have only two rooms; as many as thirteen people have been found living in a single bedroom and kitchen.

The share-cropper's larder contains little beyond the traditional three M's—meat, meal, and molasses. Usually the meat is restricted to fat salt pork, called fatback or sow-belly. Sweet potatoes and dried beans often appear on the table, and sometimes there is a dish of greens. Gardens are uncommon, since landlords do not encourage them and the poorer croppers have no money with which to buy seeds. A considerable proportion of the croppers have no regular milk supply, and eggs and chickens are luxuries that some croppers do not taste in a year's time.

The cropper's diet and his living conditions encourage pellagra, rickets, anemia, malaria, typhoid, and other serious diseases, which take a heavy toll. Yet in many cases no money is available to pay for medical treatment. Arthur F. Raper's painstaking study of farm tenancy in two Georgia counties showed that nearly half the tenant families went the whole year of 1934 without the services of a physician. An earlier survey of conditions in North Carolina showed that doctors were in attendance at only 14.6 per cent of the births in families of black croppers, and at only 48 per cent in families of white croppers.

Caldwell's Investigation

Naturally, the recent depression, with its low cotton prices, made conditions even worse in the rural slums of the South. Two years ago, Erskine Caldwell shocked readers of the *New York Post* with a series of articles in which he described conditions he found among Georgia share-croppers. Particularly explosive was his description of a two-room home occupied by three families, each consisting of a man and wife and one to four children. In one room "a six-year-old boy licked the paper bag the meat had been brought in. His legs were scarcely any larger than a medium-sized dog's leg, and his belly was as large as that of a 130-pound woman. Suffering from rickets and anemia, his legs were unable to carry him for more than a dozen steps at a time. His face was bony and white. He was starving to death. On the floor before an open fire lay two babies, neither a year old, sucking the dry teats of a mongrel bitch."

Educational facilities provided for share-croppers' children are woefully inadequate. White children have tumbledown school houses, underpaid teachers, and short terms. At that they have six to sixty times as much tax money spent on their education as do Negro children who in many localities are equally numerous. Negro families sometimes have to build and repair their own school houses; and teaching is carried on under most primitive conditions. In Macon County, Georgia, the average teacher in rural Negro schools in 1934 received a salary of $106.93 for the year. Many Negro children are unable to attend school at all.

The share-cropper justly blames high interest rates and dishonest bookkeeping for much of his plight. Planters and merchants often mark up the prices of food and other articles sold to croppers on credit, and interest rates commonly range from 25 to more than 50 per cent. Some landlords tack on a 25 per cent manager's fee. The croppers are at the mercy of the planters and dare not question their bookkeeping. A classic story tells of one cropper who brought in five bales of cotton and was told after some figuring, that this cotton exactly balanced his debt. Pleased

at this, the cropper mentioned that he had one more bale that he hadn't brought in. "Shucks," the boss said impatiently, "why didn't you tell me about that before? Now I'll have to figure it all over to make it come out even."

Nomads of the South

The impoverished condition of the share-cropper does not mean that the planter is rolling in wealth. The whole cotton belt, except in western Texas, has a hungry look; the per capita farm income in the Southeast is only $183 a year, compared with $273 for the entire country. One recent study shows that the average Southern planter, after deducting interest on his investment, has only $855 a year for his work of farm management.

Benefits Elude Croppers

The government's crop reduction program, however, has brought large benefits to the landlords—benefits that are apparent in painted houses, new clothes, shiny automobiles, and padded bank deposits. Only a slight trickling of this improvement has reached the tenant, who has borne the brunt of the reduced acreage. The effect of the government program has been to take risks from the landlord's shoulders and throw them upon the tenant. Landowners received big checks from Washington and were enabled to obtain production credits at cheap rates. Yet many of them continued to provide supplies to tenants at 20 to 30 per cent above cash prices and refused to share their government benefits with croppers.

Complaints of tenants against the effects of the 1933 plow-up campaign led the government to insert in 1934 and 1935 acreage reduction contracts clauses intended to protect the tenants' interests. Many landlords ignored these provisions, some requiring immediate return of money paid to croppers. Thousands of share-croppers had to become wage hands or go on the dole. Tenants' complaints mailed to Washington were sent back to county agents, who in turn passed them on to the landlords against whom these accusations were made.

That a large proportion of cotton tenants are shiftless and improvident is generally conceded. Yet investigators who have studied the subject at first hand have been convinced that the tenant's laziness is a remediable result of malnutrition and disease and that when he is improvident it often is because he sees no hope of bettering his condition by trying to provide for the future. Typhoid is three times as prevalent in the cotton belt as elsewhere in the country; and both malaria and pellagra—the starvation disease—are six times as common. No one would say that any of these diseases is a spur to ambition.

Kingdom for a Car

The fact that many tenants are habitually in debt and seldom receive any cash tends to make them spendthrift with the little they do get occasionally. One man reported that he had been cropping for eighteen years without receiving any money. When such a farmer is paid a few dollars, it is little wonder that he may want to splurge them on fancy living, a phonograph, or even a ramshackle automobile—instead of buying the mule he may need. Even a disreputable car nourishes his starved self-respect and lends him a feeling of power and importance. It also expedites his trips to town and enables him to gain some knowledge of machinery that may come in handy if he ever gets a chance to operate a tractor. For the Negro tenant there is the additional incentive that driving a car on a public road gives him a fleeting illusion of equality with the white man.

Deprived of effectual help from the planter or from the government in Washington, the cotton cropper has been unable to make his voice felt by the ballot, even on local issues. Southern Negroes are deprived of the vote by means too well known to need listing here: one of these means, the poll tax, serves to disfranchise many of the poor whites as well. In desperation, share-croppers in eastern Arkansas and western Tennessee organized the Southern Tenant Farmers' Union; but in many

Times Wide World

HOME, SWEET HOME: "The typical cotton tenant's house is slapped together with boards discarded by a sawmill and never knows the feel of a paint brush. The roof leaks, and few, if any, of the rooms are ceiled or plastered." The home shown above has no conveniences and the stove is an old oil can. The baby shown in the arms of the tenant's wife is a month old.

neighborhoods the planters' violent reaction against the union has only added to the croppers' woes.

Armed and sometimes drunken planters have broken up meetings of the union and forced its officers to leave the county. Floggings and threats of lynching have been common; even a white woman was stripped and flogged by vigilantes. Tenants who joined the union have been forcibly evicted from houses. Often local officers have supported the law-defying planters. One former Methodist preacher who served as a volunteer organizer for the tenants' union was sentenced to six months in jail and fined $500 on an anarchy charge, and the lawyer who defended him had his practice ruined. Of course, not all Southern planters condone the violence of the Arkansas vigilantes, but they appear to be united against the union.

Character without Opportunity

Despite the low opinion in which they are held by planters, most of the share-croppers are capable of greater responsibility. Those affected by the Tennessee Valley project and the Resettlement Administration have shown quick response to offers of educational and economic help. Many of the white tenants represent the country's purest strains of Anglo-Saxon blood. D. P. Trent, regional director of the Resettlement Administration for Oklahoma and Texas, has found that "there prevail among these people standards of honesty, integrity, and character which are not excelled in any other element of our population. All that is needed is a decent opportunity. Children of these families when given an opportunity, rank with the best in intelligence, skill, and competitive achievement."

On a limited scale, the Resettlement Administration has been helping ambitious tenants to buy land and equipment on easy terms and has enabled many to acquire decent houses and gain the benefit of having a cow and a garden. Typical of resettlement clients is the Texas farmer who was on relief despite the fact that his grandfather, on returning from the Civil War, had traded his horse for 500 acres of land. The grandson was classified on relief rolls as hopeless, and his four children were so ragged that they were ashamed to go to school. Yet a small rehabilitation loan enabled him to buy a pair of mules, a set of second-hand harness, a plow, and materials with which he built a house. Thus equipped, he was able to obtain land. His first year's crop enabled him to repay a considerable part of the rehabilitation loan. Today flowers bloom along the slab walk to his front gate, and his daughters attend school in freshly laundered dresses.

Bills introduced in Congress in January by Senator John H. Bankhead and Representative Marvin Jones would have the government undertake on a much larger scale work of the type the Resettlement Administration has been doing. This plan would establish a Farmers' Loan Corporation with an initial capital of $50,000,000, to which a like amount would be added each year for ten years. This money would be used to buy land for lease or sale to farm hands and tenants ambitious to better their condition. Those unable to make a down payment of 25 per cent would be allowed to lease land from the corporation, which would apply the rent on the purchase price in case the tenant wished to buy after his rent payments amounted to 25 per cent of the total purchase price.

Recommendations of the President's committee, which have been passed on to Congress, are in essential harmony with the Bankhead-Jones plan. It now appears likely that Congress will at least make a start toward solving the tenancy problem. The minority report of W. L. Blackstone, president of the Southern Tenant Farmers' Union, would have the government sponsor co-operative farming under Federal supervision. Mr. Wallace has opposed this plan as economically unsound and as "too much like the Russian system."

Problem of Leases

In addition to making it easier for the wage hand or the share-cropper to become a cash renter or a farm owner, there is need to revise the prevailing system of leases. If leases are made for several years instead of only for one year, and if provisions are included to credit the tenant with permanent improvements he makes on the farm, he will have more incentive to practice soil conservation, raise food for his family, and repair the house in which he lives. No cropper or other tenant is likely to dig a well or build a barn or repair fences and gates if his only reward is to be moved off the place after the next harvest.

Other countries have solved tenancy problems as discouraging as that of the United States. Twelve central European and Balkan governments helped 2,000,000 tenants to become farm owners in the first ten years following the World War. The regulation of farm leases has also had more attention in some countries than it has here.

The problem of tenancy in the cotton belt may soon become complicated by the adoption of mechanized farming. Further perfection of the Rust brothers' cotton picker may lead to more farming in large units, with the help of tractors and wage hands. This mechanization might send many of the South's rural inhabitants to the cities for jobs or doles, but the process is not likely to be as rapid as some theorists predict. The present task is to improve rural education, health, and housing and to regulate farm leases—as well as to help wage hands and tenants toward farm ownership.

CALLING THE FASCIST BLUFF

Italy and Germany—allies or rivals?
Southeastern Europe suggests an answer

BY G. E. R. GEDYE

NO SERIOUS observer would dispute that behind every threat to world peace today stands Nazi Germany. There are other forces making for war, such as Italy and Japan—but not for war at once. The German Reichswehr is certainly not ready for war yet awhile, but that does not mean that the saber-rattling and insolent defiance of the Nazi Party will not result in the outbreak of war overnight. If they can secure sufficient outside support to make good the existing deficiency in Germany's war preparations, it certainly will do so. Thus the question of how far Nazi Germany can expect support in her plans of conquest becomes of supreme importance in fixing the probable date of the outbreak of war.

It was always patent to the student of politics that, since the birth of Italian fascism, an intangible Fascist International has existed in the shape of a certain volume of goodwill among reactionaries in all countries on which fascists could count for support. That same section of the British press which had screamed loudest about the "Red Terror" in Russia bent over backwards a few years later in its endeavours to present the fascist terror in Italy as something screechingly funny, in which nothing worse than large doses of castor oil replaced horrible murders. The steps towards the overthrow of the Austrian democratic republic—finally effected in 1934—taken year after year with the aid of Italian arms, money, and counsel, was the next phase which disproved the Duce's assertion that fascism was not an article of export. The Rome Protocols between Italy, Austria, and Hungary were another, but the open constitution of the long-existent but intangible Fascist International was first effected this year by Herr Hitle proclamation of an international crusa against "Marxism." The eye to the ma chance was fixed, of course, on the ferti plains and mineral ores of the Sovi Ukraine, but the ideological eye glar with ferocity at every country where tl forms of economic liberty, as in the Sovi Union, or of political liberty, as in Gre Britain, by their very existence form continual temptation to the bemused enslaved millions of Germany to secu such liberties for themselves.

It was a clumsy move on Nazi German part, for it served to open the eyes of tho whom she threatens, as well as of tho ready to support her to a certain exte who have been alarmed at what they sa Actually, the dropping of all concealme of her aggressive intentions has had tl effect of isolating her to such an extent th at the moment her only possible ally Europe seems to be her sister fascist pow Italy. The pact with Japan has received further adherents, although the reactiona states of the world have all given it the blessing with greater or less degrees sincerity. It put a welcome brake on t flirtations of British Conservatives with t Third Reich, which Herr von Ribbentr had so skilfully initiated. Together wi the Nuremberg speeches, it dispelled t last illusions in Poland concerning t Nazi's real sentiments towards her, a from then on Poland's attitude towards tl German anti-Soviet campaign has been o of armed neutrality. Hungary, whose lea ers had been alluding to Germany as tl fourth spoke in the wheel of the Rome bl states, began to draw back—a process acc erated by the opportune decease of that f natic pro-Nazi, Premier General Goembo

Germany Spurned

Neither General Goering nor Herr von Neurath on their visits to Budapest last autumn succeeded in the aim of making Germany the fourth partner in the Rome bloc. These visits led up to the invitation of Count Ciano to visit Berlin and Berchtesgaden last November. Germany on this occasion again failed to secure Italy as a full ally; nor did she procure an invitation to participate in the forthcoming Vienna conference of the Rome bloc, even if she did secure a privileged position at that conference, Herr von Papen alone among representatives of the non-bloc states being invited to all unofficial gatherings connected with it. More important was the Nazi success in calling Austria to heel and preventing her from mediating between Prague and Rome. Germany wrecked the prospect of cooperation between the Little Entente and the Rome bloc which was to have been initiated in Vienna. She may, indeed, have come to some loose "spheres of influence" arrangement with Italy, whereby her predominant interest in Austria was recognized, while she herself accorded first place in the counsels of Hungary and Yugoslavia to Italy. If so, the bargain has not worked out well for Germany. The surrender of the leading role in Hungary to Italy was merely a graceful recognition of a process which had been rendered necessary by changes in Hungary itself; something the same is true of Yugoslavia, with whom Germany is finding it increasingly difficult to maintain the former volume of trade by barter, so keenly does Yugoslavia realize the position of dependence into which she has got herself by the reckless granting of credits to the bankrupt Third Reich. What Germany certainly did secure from Count Ciano was an indefinite gentleman's agreement to consult and cooperate in European policy generally and a definite agreement to coöperate in the attempt to overthrow the democratic Government of Spain through General Franco's military *putsch*.

The question of the hour is whether Italy can be detached from Germany in Spain as she has already been detached from supporting the scheme for an invasion of Czechoslovakia. Three months ago, when it became known out here that Herr Hitler was pressing the Reichswehr to agree to a lightning *coup* in Central Europe, Italy took fright, and allowed it to be understood in Berlin that she could not support such an adventure. An important factor in influencing her in this direction was Mr. Eden's declaration of British interest in the fate of the Central European states—a declaration which may actually have prevented the outbreak of war. Subsequent comments by the London *Times* and the B. B. C. have strengthened its effect. Were Britain and France to take a really firm line over Spain today, it might yet force Germany to withdraw her luckless conscripts drafted there. In France, as I hear, the French General Staff guaranteed to Leon Blum that he could count on them to back him to the hilt for the next six to twelve months in *any* action he decided to take against Germany, as they were confident that for this period the French army "would remain the strongest single force in Europe." Therefore, M. Blum gave an experimental but firm bang on the table and Germany climbed down over Spanish Morocco. Another bang and Herr Hitler's anticipated roaring to the Reichstag, which the European chancelleries had awaited in anxiety, was delivered with a distinct note of bleat in it. The policy which has been pursued in Central Europe by Italy has been largely one of blackmailing Great Britain by threatening support of Germany. In Spain she is blackmailing France in a similar way. But it seems safe to assume that the Duce is too shrewd and knows too much concerning Germany's bankrupt internal situation to be fully prepared to take the plunge on her side into a general war.

German War Deficiencies

Will the France of the Front Populaire be able to induce the Britain of the National Government to call Italy's and Ger-

***POWDER BARREL:** Germany and Italy look to Southeastern Europe for the furtheran of their ambitions. The cut shows the rival groups.*

many's bluff over Spain? For it is bluff. Herr Hitler and General Goering were a little too greedy when the Nazis first assumed power, and overdid the speed of rearmament, with the result that some of their material is defective and some of it already out of date. The Czechoslovak military expert, Colonel Emanuel Moravec, has recently pointed out that, if the assumption is correct that Russian aeroplanes have been defending Madrid against the assaults of the Junkers machines with which it is known General Franco has been supplied by Germany, then the inferiority of the German planes cannot be questioned. For although there is (at the moment of writing) something like air equality over the capital, when the attack began some 18 government machines (of alleged Russian manufacture) managed to hold up the attack, he says, of over 50 Junkers planes —no mean achievement. There is no que tion but that the German chasers are mostl fitted with engines which are already ou of date, having a maximum speed capacit of 150-180 miles an hour, whereas that the chasers now being built in various cou tries is 280. Nor is Germany able to mak good to any extent by scrapping her earli machines and building more modern type for her stocks of foreign currency are e hausted.

To the economic difficulty of obtainin fresh raw materials for war is added psychological difficulty. Throughout t world the recognition is spreading th Nazism means war and disaster for th whole world, and in one country aft another the Nazi régime is meeting wit difficulties in obtaining raw materials f war. Yugoslavia, for example, is evadin all Germany's present attempts to obtai

further supplies of bauxite, essential to the production of war aluminum. In the Balkans and in South America—areas to whom Dr. Schacht was last summer promising a glorious future, to be built up by supplying Germany with huge quantities of raw material without payment and allowing their markets to be swamped with German industrial products in return—there is a new shyness about moving towards this great destiny along the road of supplying Herr Hitler with the means of taking the offensive.

How hard pressed Germany is becoming in this respect is exemplified by her attitude towards Czechoslovakia during the recent commercial negotiations between the two countries. Czechoslovakia recently introduced a grain monopoly with the object of building up a grain reserve. Grain reserves for a country in Germany's position, of course, form part of the sinews of war, for wheat can be stored, and reserves can be maintained indefinitely by replacing old reserves every year by the new harvest. Czechoslovakia, having insufficient silos at present available for the storage of all her wheat, has been considering the sale of a portion—to her friends. Learning of this, the Germans presented a demand at the commercial negotiations for the sale of a certain considerable quantity to herself, declaring that "a refusal would be treated as a hostile act." In view of the abundant grain supplies throughout the world, and the ease with which Germany was filling her requirements up to a short time ago, the exigence of her demands to Czechoslovakia—for which I can vouch—is significant of her present straits. So is the affair of the Rio Tinto mines, where since the occupation of these British-owned mines by General Franco's rebel forces and the ruthless massacre of the miners who were loyal to the Government, the ore production destined for Great Britain's munition supplies has been seized by the rebel leaders and diverted to Germany. The amount of copper ore which Germany may have secured from her puppet General Franco, the few truckloads of wheat which she tried to blackmail Czechoslovakia into handing over, are in themselves insignificant. Significant is the fact that she is reduced to attaching importance to even such small quantities of raw materials for war.

But there are two raw materials of supreme importance for the motorized artillery and air force, which are going to be the backbone of the next war—rubber and gasoline; and for both of these Germany is entirely dependent on imports. For the latter she must remain dependent; for the former, at least for a period of many months—probably also indefinitely. Germany is experimenting intensely with the production of synthetic rubber: Central European experts believe that within three months of modern warfare her motorized units would be crippled by shortage of natural rubber. In Russia, two factories are already turning out synthetic rubber at quite a useful rate, but Germany has not got beyond the experimental stage. Moreover, the production is such an expensive process as to be almost prohibitive under the capitalist system to a country like Germany with such limited financial reserves. Private capital certainly could not be induced to interest itself in such an unremunerative product. Nor would Germany's gasoline reserves carry her far in a general war, and much time would have to elapse before she could realize her design of securing the Rumanian resources. Furthermore, German merchants cannot pay—nor can her government—for imports without the assistance of foreign governments. What she requires is what she demanded of Austria in her commercial negotiations—the financing of exports by the government of the exporting country, with the prospect of ultimate repayment by German manufactures, which in all probability the country cannot accept without upsetting all her other suppliers. In detail, the scheme in Austria was that the Austrian National Bank should pay the Austrian peasants and landowners for their grain and timber in schillings. The Reichs-bank would in turn pay marks to the German exporter for the goods he sent to Austria—the usual Ger-

man "compensation transaction." The failure of the Austro-German negotiations was largely due to the refusal of the President of the Austrian National Bank, Dr. Kienboeck, to finance such Austrian exports by the only means open to him—inflation. Little Austria got up on a very high horse. Dr. Schuschnigg refused to make the commercial concessions which Germany wanted. The new trade agreement, concluded at the end of January for 11 months only, just saved Germany's fate—no more.

For the moment, Dr. Schacht appears to have shot his bolt. In Yugoslavia, Rumania, and even Bulgaria, there is growing opposition among both business men and the government to the whole barter system of Germany, which was blooming as recently as last autumn.

Mussolini Knows Too Much

Whatever one may think of Signor Mussolini's intentions—and his capping of the Anglo-Italian Mediterranean pact by the landing of further large contingents of Italian troops to support the Spanish military rebellion should furnish all the evidence needed to form a correct judgment—no one need doubt the excellence of his information. That Nazi Germany today faces a less favorable economic situation than at any time during the last three years is certainly better known to him than to most. He must also be aware of the reports concerning the present discontent among the German middle and working classes, which, nearly all reports agree, is greater than at any time since the seizure of power by the Nazis. There is no suggestion of a pending revolt. What does exist, it appears, is disillusion with the extravagant promises, weariness at the long continued privations, and growing doubts of the cure-all efficacy of Herr Hitler's national program. The German people, it must not be forgotten, is now facing its second winter of war privations, without the excitement of war victories. Here is one reason for the vehement pursuit of the Spanish adventure today, with its slaughter and mutilation. It is not merely an attempt to spread Fascism and to secure for Nazi Germany an outpost in Spain for the ultimate attack in France; it is also an attempt to revive among the German people the early wartime spirit of the "home front" by visions of heroism in the real front line.

But there is another reactionary Germany distinct from Hitler-Germany—the solid relics of the old Imperial Germany, the Reichswehr. The Reichswehr is as eager as any professional army for the glories of war, and more eager than most, but it prefers to seek these glories under conditions where its professional acumen can assume that there is a reasonable prospect of victory. That is not the position now—not at the present moment. The opposition of the Reichswehr—and the Navy—to Nazi playing with fire was shown in the refusal of Admiral Foerster to allow the German fleet in Spanish waters to engage in the piratic actions which the *Koenigsberg* and the *Admiral Scheer* subsequently undertook after the command of the German Fleet had passed to Admiral Carls. But Admiral Foerster's farewell words, remarkable in a "retiring" officer, to his fellow officers were "*Auf Wiedersehen, meine Kameraden*"! One of the persons best equipped to judge the internal situation in Germany today, with long years of activity in an important position there, told me: "If Hitler were to provoke a war today, the Reichswehr, despite the frequent warnings they have given him of their unpreparedness, would go into it behind him. But within four weeks they would have established a new régime in Germany."

That is one form of opposition—concrete, tangible. There is another which is intangible and quite incalculable—that of the anti-fascists, or the communists, socialists, democrats and liberals in Germany. Before the advent of Hitler there were six million Communists alone in Germany. Killings, concentration camps, and prisons have accounted for a great many—but not for six million. Where are the others? Silent, inactive today, of course,—but in time of war? They would then constitute a

danger to Herr Hitler's striking power, eager to desert, to betray information, and to carry out acts of sabotage. Here is a significant little incident which has escaped general attention. For many months a German major of artillery had been experimenting in the greatest secrecy on an electrical device for serving and firing gun batteries in an advanced or exposed position from a secure station far in the rear, so that only the guns and ammunition but not the gun crew would be exposed to fire. About six months ago, he brought his device so near perfection that he was able to give a (very secret) demonstration of it to the German General Staff. That same evening, Moscow broadcast the following message at the conclusion of the news program: "Our heartiest congratulations to Major —— of the —— Regiment of Artillery on his interesting experiment in distant battery control which was successfully carried out at —— today. He will be interested to know that copies of his plans are in Moscow, and, while they lag behind our own, they are nevertheless a brilliant piece of work."

Czechoslovakia—an Apple of Discord

It is strange how many otherwise well-informed political observers have failed to notice the curiously good relations between Italy and Czechoslovakia. The division of Europe into fascist and anti-fascist states often tends to the ignoring of how national interests continually, as here, cut across ideological ones. On purely logical grounds, the liberal, democratic republic of Czechoslovakia, Germany's selection as the first victim of expansion, the ally of Soviet Russia and of Yugoslavia, should be on the worst of terms with fascist Italy, the friend of Nazi Germany. In point of fact, the two countries have hardly known a quarrel since 1918, and their relations today are a good deal more cordial than appears on the surface. The German campaign against Czechoslovakia found little echo in the Italian press, and the alarm about the formation of the Rome bloc at one time expressed in Belgrade was not voiced in Prague. The conclusions of the Little Entente Conference at Bratislava last autumn will be found on examination to have been in essence preparations to meet an attack from Germany, not to face any threat from Italy. The view expressed in many London papers that the Vienna conference of the Rome bloc states, which was announced just afterwards, was a "reply" to the Bratislava meeting was ridiculed in the Prague press. In point of fact, as everyone knows now, this Vienna conference would have brought the Little Entente and Rome blocs closer together, had Germany not succeeded in preventing this. The resolution of that Conference in favor of bilateral treaties only between its members and outside powers was at first seen only as a bar to the rapprochement of these two blocs. It is now considered in Prague, following on certain assurances from Rome, to have been equally intended as a barrier against Germany joining the Rome bloc.

Prague, in fact, maintains its optimism despite the general pessimism in Europe concerning Czechoslovakia's immediate future, largely because of its faith in arguments based on the map of Europe and in the Duce's understanding of it. Rightly or wrongly, Czechoslovakia refuses to believe that Italo-German cooperation in the cause of the Fascist International could go so far as to induce Italy to countenance a German invasion of Czechoslovakia. For the seizure of Czechoslovakia's Sudeten-German territory—supposing that it could be carried through successfully—would obviously be only the first move to realizing the program of *Mein Kampf*, of bringing together all German-speaking peoples under the rule of the Third Reich. The absorption of Austria would be practically simultaneous, and Herr Hitler's past examples of his regard for the pledged word would hardly suffice to reassure Signor Mussolini that the German advance would halt at the Brenner and exempt the purely Germanic peoples of South Tyrol from "liberation" by the Nazis.

Nor does the danger to other countries with German minorities end here. Every-

one knows of the Nazi maps discovered in Hungary showing "Greater Germany" stretching through Bohemia, Moravia, and Austria into Hungary and finishing at the shores of the Hungarian Lake Balaton. Despite the ties with Nazi Germany forged by General Goemboes, the Hungarian Government has in the past few months arrested numerous Nazi agents from the Third Reich caught stirring up Hungary's German minority with propaganda of this sort and has ignored the protests of Herr von Mackensen, the German Minister in Budapest.

Although too much reliance cannot be placed on Italy's assurances that she is now a "saturated" state, it is clear that for several years to come she cannot desire a foreign adventure. Her plans for Abyssinia will be costly and will take long to realize, for her ambition is not merely to administer and exploit, but really to colonize. She will have her hands full. She realizes the weaknesses behind the imposing (and alarming) united front of aggressive intentions which Nazi Germany presents to the world. And she must certainly dread being precipitated into war by the driving necessity of the Nazi dictatorship to conceal its economic failure at home from the German people, whose disillusionment is growing apace, by sensational triumphs of violence abroad.

Calling the Bluff

The conclusion therefore seems inevitable that Britain and France can call the German bluff and administer a decisive check to the bullying tactics of the Third Reich which so far have carried her from triumph to triumph. The keystone is Spain. The British National Government is reputed to soothe the Socialist Opposition by stories of the need of gaining time for rearmament. But if, in six months' time, Britain is better armed, and has to pay the price by yielding today to German aggression in Spain, it will be a very different Germany, which will confront her and France. To share in the spoils of Spain, Italy may be compelled definitely to hitch herself to the German chariot. The speed of German rearmament, which has at present slackened through sheer inability to import, will have accelerated again by virtue of the spoils of Spain. This in its turn will restore the present waning confidence in her as a market which is noticeable through Southeastern Europe and South America. A guarantee to respect the territorial integrity of Spain is quite useless if it is to be a Spain placed by the force of German and Italian arms in the hands of the subservient military rebel junta. Nothing less than an ultimative demand for the withdrawal of the German divisions—those of Italy would follow suit without difficulty—can save Britain and France from the terrible consequences of a German triumph in Spain. Will the frequently pro-fascist National Government allow the interests of British imperialism at last to triumph over those of panic-stricken finance capital which prevented effective opposition to the Duce in Abyssinia and have condoned all the horrors of fascist revolution in Spain to the grave detriment of British imperial interests?

But what of the improbable event of Nazi Germany refusing to have her bluff called and resorting to war? In all probability there will never again be a moment when it would be so unfavorable for her to do so. She would open hostilities incompletely armed, isolated with practically no food and insufficient munition reserves. She would fight against the advice and will of the Reichswehr. She would have to overcome at home a lassitude and a distrust, doubtless only momentary, of the Nazi cure-all prescription such as never existed before today. And personally I am inclined to agree with my expert friend that in a war thus started within a month the Nazi régime in Germany would have ceased to exist.

FRANCE FINDS A HUEY LONG

Jacques Doriot, the "Man of Tomorrow," follows a well-known fascist pattern

BY L. F. GITTLER

THE French Popular Party was launched in a mass demonstration in mid-July of last year. The audience, mostly middle-class Frenchmen from the respectable suburbs of Paris, predominantly women, with a sprinkling of employees, workers, war veterans, and bearded academicians wearing the Legion of Honor, went wild with joy and relief at the passionate appeals of Jacques Doriot, founder and *chef* of the party.

Doriot was at his best that night. He made a fine impression. Spectators saw on the platform a heavy-set man flailing the air with his pudgy arms. They saw him withdraw his coat and tie, revealing elastic suspenders and a bulging paunch, and roll up his sleeves. They heard him speak with violent hatred of Moscow, with tender love of France, optimistically of the future, coldly and cynically of the French People's Front. To an American he looked like one of our bible-yodelers come out of the South, stocky, inexhaustible, with a massive head and a comical touch of horn-rimmed glasses concealing a myopic stare. To a German he recalled the bellicose Hitler of the Nazi campaign days. Doriot was speaking of *la France*, of dismemberment, of the disunity of *la Patrie*. Left? Right? Ah, they did not exist, *mes chers camarades*, they were not living realities, but France . . . *la France eternelle!* And Moscow? The rage mounted to a deep flush in his cheeks and the sweat poured down his forehead in tiny rivulets. The spectators went home exultantly, very much impressed and shouted *En avant St. Denis*, the war-cry of France's ancient kings.

An aristocrat reporter of *L'Illustration* seemed to have been the most impressed of all. "What force, what power, what indescribable and inexplicable fluency emanates from this vigorous fellow," he wrote in an article titled *Le Dionysien*. "Involuntarily, in my imagination I saw in him the inspired monk with blacksmithy arms white as a woman's, with pale full cheeks and a piercing eye, raising his hand toward heaven whom he takes as solemn witness in preaching the crusade of union to all good Frenchmen." All Rightist papers lauded the "new leader." They published pictures of his "humble home" in St. Denis with his two little daughters and some intimate gossip of his private life; how he goes to work very early in the morning and is in all respects *un bon papa*. They called him a "rising young statesman, the man of tomorrow." Like Hitler, here was a Man of the People, living and breathing among the Folk, come to threaten democracy, this time in France.

Doriot's political duplicity is astonishing. He used to be a proletarian, his father was a blacksmith, and he himself became a metal worker. His home has always been in St. Denis where he was born 49 years ago. St. Denis is often called the Citadel of French Socialism; it was the nerve center of the Paris Commune; it has always been a hotbed of strikes and agitation. Jean Jaures often spoke there before his assassination. Doriot early became a militant Communist. His fellow-workers chose him first as their deputy, then mayor.

Doriot was one of the most fiery and popular of French Communist leaders. When Trotzky came to grips with Stalin in Russia, Doriot was the main supporter in France of the Red Army chief and World Revolution. He quarreled with

other French Communists. But gradually, he drifted away from the party. He was rebellious and would not obey orders from the International or the Central Committee. Doriot basked in his local power at St. Denis, secure that no one could snatch away his popularity. He became so outspoken after the Franco-Soviet pact and the victory of the Popular Front that there remained nothing else for the Communist Elders to do but excommunicate him from the party for political heresy. Doriot's rage against Moscow and the French Popular Front waxed tenfold. The workers of St. Denis stayed with him and his brilliant oratory. He found other contacts in literary and political circles.

The moment was opportune with Rightist movements springing up everywhere. Some were in dissolution, others in transformation, still others in creation. Financial interests, in addition to young middle-class Frenchmen, were casting their eyes about in search of a leader to stem the rising and all-powerful mass movement that constituted the People's Front. They were seeking a lashing orator who could both talk socialism and placate capitalists — one who could sway the masses, amalgamate groups, indulge in political intrigue, and imbue capitalism with a revolutionary militancy.

Gifted literary mercenaries and political floaters like Paul Marion, Pierre Dominique, Emile Roche, Drieu de la Rochelle, and Bertrand de Jouvenel, who had long been vacillating between la Rocque and the Communists, between Leon Blum and the polished highly-Parisian Neo-Socialists, hastened to join the feathered flock of Doriot admirers. Jules Romains lent his name and the prestige of his *Juilletiste* movement. Pierre Laval, that shrewd peasant, expressed his paternal devotion. Hennessey, the cognac king, supplied funds and a special blessing. The corrupt elements of French politics, especially in Marseilles, began to grasp at this new catch. Doriot's organization was soon complete.

Doriot is an energetic agitator and propa-

Times Wide World

FRANCE'S "MAN OF TOMORROW": "Spectators saw on the platform a heavy-set man with pudgy arms. They saw him withdraw his coat and tie, revealing elastic suspenders and a bulging paunch." Jacques Doriot was at his best that night.

gandist. He travels speedily from city to city, haranguing curious crowds, organizing party cells, committees, and propaganda stations. There is no concession he will not make in his climb to power, no allegiance he will not betray. The lesson of Hitler is too epic to ignore. The French *chef* rails against the "foreign dictatorship" reigning in the workers' parties of France. He paints the horizon red with the horror and menace of war, with France left unprotected before the sinister machinations of the Soviet Union. The Franco-Soviet military pact is to his movement what the Versailles Treaty was to Hitler. He declares that France's friends and allies are leaving her one by one. France will be doomed abroad as well as split at home. He advocates a German rapprochement.

Obviously, he receives sympathy and material support from the Reich. Germany sees only good in the consolidation of two hostile blocs within France's frontiers, with the possibility of civil war. Not only will it weaken French democracy and hegemony, but Germany will have found new allies in her coming struggle with Communist Russia. Germany indiscriminately supports all anti-People's Front movements. Rosenberg believes that now he has actually picked a winner.

Doriot neglects the delicate problem of socialism; probably with the atavistic influence of his father's trade he believes it more imperative "to forge a collective soul." His words mystically constitute the "Sermon of St. Denis." Like Hitler, his social policy is limited to catchwords: *Un chef, un ideal, un programme.* The program will consist of crushing "social egoism," the ideal will further France first, then every Frenchman afterward, the *chef* assuming the role of Fuehrer. Any definite social policy might antagonize his bourgeois supporters, who are still wary of a militant ex-Communist. First Doriot must wash his hands absolutely clean of Moscow, heap vituperation on his former comrades, ever again and again embracing *la patrie* with greater and greater fervor.

The French Popular Party has grown tremendously in the last eight months. Doriot travels like a whirlwind through France. The People's Front recognizes the danger and acts accordingly. Wherever Doriot speaks there are threats of general strikes, his propaganda posters are torn from the walls, cordons of workers are thrown around the meeting-halls to blockade demonstrations. The Left calls him *l'Hitlerien* and furiously battles his private army of declassed proletarian mercenaries, who protect the French *chef* and his manifestations.

But his success continues unabated. He has proclaimed the New French Revolution, with the division of France into three distinct social groups: the worker, the peasant, and the middle-class which has "naturally evolved" from the first two. This he has drawn from the German *Fuhrerprinzip.* Most of his mass support comes from those middle classes which are menaced by decline and those petty bourgeois who have become proletarianized or are dangerously about to become so. His secret, it is said, lies in his being "French." "He is as French and as good a Frenchman," says Pierre Dominique, his chief publicist, "as Mussolini was Italian when he once agitated in the streets of Milan to prevent the colonizing expedition to Liby."

THE GERMAN GOD

The Goal of Nazism is to create One Reich, One Leader, One Faith

BY CURT L. HEYMANN

As a man is, so is his God; therefore God was so often an object of mockery.
Goethe, Poems.

NATIONAL Socialism is a *Weltanschauung*, an outlook on life, professing to be rooted in "positive Christianity." Its ideology in itself must be regarded as a religion, based by Nazi conception on blood and race, soil and honor, and the glorification of the State. It is fundamentally irreconcilable with the tenets of Catholic and Protestant Christianity. Its folkic conception of everything national is destined to bring the racial heritage of Germanism to a mystical climax, thus renewing an heroic myth as of 2000 years ago.

It is the goal of Nazism to create one people, *one Reich, one leader and one faith* —the third confession for the Third Reich. God, according to the totalitarian principle, must be approached universally through the *Volksseele*, the folkic soul, which is the soul of the believing Nazi. Hitler, hailed by his millions of followers as a new Messiah, is regarded by many as an instrument of God, similar to the Kaiser's idea of a modern knight in shining armor. According to leaders of the Germanic Pagan Faith Movement in their efforts to reject Christianity, or rather to de-Christianize present-day Germany, God has "revealed himself to us through the Fuehrer." The Bishop of Brunswick has expressed faith in a "Valhalla of the Third Reich." In brief, German Faith is to be the guarantor of the new Germanic State of the German nation.

Nazism has paved the way for the Germanic religious ideas which must not be confused with the movement of the German Christians. The latter, despite all their modifications of the traditional faith, still claim to be Christians, but undoubtedly assisted the pagan movement indirectly. Nor must the movement of the Nordic Pagans be solely identified with Hitler's ascent to power or the present church situation. The struggle for a united German church is old and so is the folkic movement, or rather the various movements to create a Nordic religion which can be traced to the middle of the last century.

But whether these movements go back to the "Friends of the Light" in the Forties, to the "Nordungs," the "Flash of Lightning," the "Eagle and the Hawk" of later dates, or to the "Wolves of Defense," the "German Herald," the "Rig Circle" (harking back to Sanskrit), the various schools of Hellerau and Weissenfels and the manyfold leagues of Folkic Teachers of recent years—all originated from the same psychology of despair which marked the aftermath of the post-war period. All these sects, usually in connection with a wild anti-Semitism, but always rejecting Christianity and challenging the Old Testament, strove to "purge" religious belief from its internationalism, thus stripping from it any "alien" element and endeavoring to place it on a strictly nationalistic basis.

Pagans of Old

There existed in the Sixties the League of Free Religious Congregations including German Catholics and Free Protestants. After the turn of the century there were the Community of German Knowledge, the Bund of Free Congregations, the German

Faith League, the Faith Movement, the Nordic Religious Working Organization, and dozens of others of more or less local origin and importance, spreading all over Germany. Under the Weimar Republic they increased in mushroom-like fashion. They had their own organs, in some of which their spiritual leaders said what was merely non-Christian and in others what was out-spoken anti-Christian. But altogether they obviously gained momentum. Wislicenus and Uhlich found their successors in Dr. Kramer, Professor Guenther, Hermann Wirth, and Count von Reventlow. Artur Dinter, old combatant of Hitler, and his German Folk Church came to the fore. General Ludendorff founded his Tannenberg League with the aim of a free Pan-Germany under a strong ethical government to "serve the people, bind them to their native soil, and give them unity of blood, faith, culture and economic life." His wife, Dr. Mathilde Ludendorff, according to her husband "the greatest German prophet who crowned the awakening of the race through German recognition of God," assisted in creating the new religion of "Germania's rough warriors," glorifying the old Germanic gods Odin, Thor and Baldur. The organ of the Ludendorff's, "From the Holy Fount of German Strength," had in the years of 1934 and 1935 its maximum circulation of 70,000.

Ernst Hauck, head master of the boys' school at Neustadt, revealed the final aims of the neo-heathens of Germany at a rally of the Germanic Faith Movement at Coburg. "The field-gray soldier who throws his last hand grenade;" he declared, "the dying seaman who, felled by a murderer's hand, pronounces the Fuehrer's name as his last word, these are for us divine figures much more than is the crucified Jew"—meaning Christ. He teaches that theology is of Jewish origin, that the Rabbi Paul was the first theologian, that many passages of the Bible show conclusively that Jesus was a Jew, and that German spirit has altogether too long been in Jewish hands.

Hermann Wirth, who studied Germanistics, became a lecturer at Berlin University and founded the "Society for German Primitive and Prehistoric Research" to spread his racial philosophy. He pledged himself and his followers at a meeting at Eisenach to a "German-born faith, rooted in the divine reality of our Germanic origins." He will have nothing to do even with Wotan but would reach back to the "primeval Germanic monotheism" conjectured by him to have reigned thousands of years ago. Professor Neckel of Berlin University holds that Christianity is responsible for all Germany's misery. Professor Bornhausen of Breslau contends that the ancient Germans had a native "Christian folk religion" of their own before they had come in contact with missionaries from Rome. Hans Bergmann, Professor of Philosophy at Leipzig University, demands a truly German religion to be characterized by freedom from dogma and liberation of the idea of God from its accepted Christian form.

Christianity—Germanized

To Dr. Johann von Leers, an ardent protagonist of the German Faith Movement, race is the alpha and omega of religion. He is opposed to Christianity however much it may be Germanized, but he wants a new religion going back to the hypothetical sun and light worship of the ancient Nordics. Jacob Wilhelm Hauer, radical professor of the Protestant theological faculty of Tuebingen University, a former missionary in India, pleads for a new Christianity purged of Semitic and Oriental ideas with which, in his opinion, Indo-Germanic religious feeling was in everlasting conflict. He wants Christianity racially determined but would not abolish it.

"We have no need of salvation—we are heathen," is the frank avowal of Princess Marie Adelaide of Lippe in the *Nordische Zeitung* which, according to its subtitle, is the organ of the Nordic Pagan Freedom Movement. The Princess summarizes her ethical code as honor, responsibility and consequential conduct of life. "It is the duty of mothers not to allow the poison

Pictures

***RARITY:** One of the few times that Hitler was photographed with the cross of Christ predominating instead of the swastika. Der Fuehrer is shown saluting at the grave of the late Colonel General Hans von Seeckt in Invaliden Cemetery, Berlin.*

of an alien conception of a deity to contaminate their children's souls," she writes.

These are a few examples of the confusion of thoughts and ideas, confounded by the circumstance that the advocates of Nordic paganism are even more divided in their ideas of the proper Germanic substitute for Christianity than they are united in their opposition to Christianity. To increase the turmoil, the various pagan chieftains abused each other. General Ludendorff attacked Hauer's views as infected with Buddhism and Christianity and declared the ideas on paganism as hocus-pocus—except his own. His wife's publication was confiscated on the ground that its title "Redemption From Jesus Christ" offended Christian sensibilities and threatened public law and order. She claimed 2,000 marks damages from the State of Prussia and lost her suit. Dinter characterized Hauer's meetings as "cultural Bolshevism," and Hauer apologized to an interviewer whenever he used the word God.

Came the dawn. The Neo-pagan groups found it necessary after all to unite in order to gain public recognition and governmental support. This they could not expect in the confusion which was threatening to disperse their movement and was contradictory to coordinated principles. The individual societies gave in and united under Professor Hauer, who declared: "There is now only the German Faith Movement under my leadership." This happened in May of 1934, in Scharzfeld in the Harz Mountains after a week's discussion.

The new central body adopted three principles as the basis of its creed. They were: "That the German Faith Movement desires the religious rebirth of the people out of the foundations of German character; that the dictates of the German fashion of life are, in their Divine sources, a command from the Eternal; and that the

movement is to be bound in word and ceremony only by this command of the Eternal."

The new organization decided to replace in its meeting places the Christian cross by the "Golden wheel of the Sun" on a blue background, eradicated from the movement all democratic characteristics by dissolving the central council, and decreed that a Diet should act as the Reich leaders' council. All the members of the new "church"—it was resolved—must swear before a notary that they have no Negro or Jewish blood; do not belong to the Masons or any other secret lodge; and are not members of any religious body.

Atheism—Organized

Henceforth, Hauer became the official spokesman of the self-styled "German Heathens." He aimed at the Ten Commandments which had to be done away with if Germany was to have a truly German morality. He replaced them by a set of nine "commandments" which are: I. Honor the Diety, the world foundation. II. Honor ancestors and grandchildren. III. Honor the great of thy people. IV. Honor thy parents. V. Keep yourself clean. VI. Be loyal to your people. VII. Do not steal. VIII. Be truthful. IX. Help the noble.

According to Hauer, Christian ideas of marriage and love are wholly unacceptable to the modern German, and Christianity has failed to recognize the sacred nature of sex, which was divine and no worldly matter. Presiding at a National Diet at Eisenach, he adopted a "Pagan Book of Faith" of twenty-five points some of the most striking of which are as follows:

"The word 'heathen' is for us no insult, but a title of honor.—We believe no more in the Holy Spirit; we believe in the Holy Blood.—Today neither St. Paul nor Jesus Himself could be a pastor in the church. Life brings three great things: Battle, labor and love. We love battle. If battle should at length die out of the world, then all joy would die out of life. The German people need no Bible. The Edda and the sagas, Master Eckehart and Frederick the Great, Goethe and Schiller, Hoelderlin and Nietzsche and many other great Germans were no Christians; they believed in life, in nature and in the power of the German soul. The first successful missionary among the Germans in the time of the great migrations was Bishop Ulfilas, a half-breed; his father was a Goth, but his mother was Aryan Asiatic. Through butchery, murder, and conversion by cruelty this Jewish foreign religion made its entrance into German land. We believe in God—a God revealed to us through blood and conscience. Our Holy Land is no longer Rome and Palestine; for us the one and only Holy Land is—Germany."

To this last statement there is at least one other version, Dr. Bernhard Kummers, another protagonist of the Nordic pagans, claims Iceland as the German holy land. "Old Iceland is our slogan," he writes in the Northern Voice. "We are aware of our 'heresy' when we recognize Icelandic sagas as scriptures capable of giving the German people more than those other scriptures of a foreign race and a foreign clime. We seize upon the testaments left us in Iceland. Odin and Thor, those are all merely symbols for the one and inscrutable. Therefore, National Socialism is saturated with the race ideal."

The Nordic-pagans have translated the names of Christian holidays into their own phraseology. They were published in last year's official Reich peasants' calendar and enjoy therefore the maximum of official patronage. For Good Friday the peasantry is advised to think of "the 4,500 Saxons slaughtered by Charlemagne." Epiphany in the calendar is the Day of the three Asen, three Germanic gods. Ash Wednesday appears as Ash Wotansday. Easter is the festival of Ostara, the goddess of Spring. Ascension Day appears as the day when Thor stole back his hammer. Christmas Eve is Baldur's Light Birth.

Teutonic Beliefs

The Teutonic conception of worship is also revealed in a pamphlet "The Bible Unveiled," announced as the first of a

series designated as "The Aryan Defense." The author, Hanns Obermeister, rejects the Bible as being the work of man, badly done at that and utterly untrustworthy. Its Jewish translators are branded as rogues and swindlers. Jesus Christ and the apostles Peter and Paul never existed. There is no original sin; man needs no redeemer, and there is no hell fire. The origin of the scriptures is traced back to the Rig Veda of the Indo-Germanic peoples. The Jews derived their religion from the Egyptians, and the story of the flood is an allegorical description of the destruction of Atlantis, the sunken continent from which the Aryan tribes emigrated. Luther was a slave to dogma, and his translation of the Bible from Greek is full of errors. It is Wotan, the old Germanic God, who is the divine principle that dwells in all Germans.

The "Sermon on the Mount" has been Germanized. The Nordic pagan magazine *Nordland* asserted in one of its last year's editions: "The Sermon on the Mount was the first Bolshevist manifesto in a language now buried under the dust of centuries." Startling deviations from the Psalms of David are disclosed in the book of "God Songs," an Aryan version of the psalms rewritten by Wilhelm Teudt. By industrious selection and omission, he has reduced the 150 original psalms to 75 "songs." Some of the new versions, reputedly based on the Old Testament, are entirely different in phraseology and idea. The omitted psalms include virtually all that contain references to Hebrew history or mention of the Hebrew people. Psalms of exalted praise to the Lord and thankfulness for deliverance also have been omitted, as well as expressions of contrition and humility. A statement in the foreword declares that "Oriental exaggeration and expressions of un-Christian vengefulness also had to be deleted." Herr Teudt declares that Christ was of pure Aryan blood, "His whole spiritual being was foreign to Jews." How he has rewritten them may be shown by the following excerpt from his version of the Eighty-seventh and the original Psalm as contained in the King James version of the Bible:

NAZIST REVISION	BIBLICAL TEXT
The Lord loveth the height of Germany more than all the dwellings abroad.	His foundation is in the holy mountains.
The Lord loveth the yew tree of the Odenwald and the oak of the Baltic.	The Lord loveth the gates of Zion more than all the dwellings of Jacob.
I will make mention of the Euphrates and the Ganges, where our forefathers ruled.	Glorious things are spoken of thee, O city of God. Selah.
Behold the lands of the Goths, the Longobards, and Andalusians; it shall be said our brethren were born and died there.	I will make mention of Rahab and Babylon to them that know me: Behold Philistia, and Tyre, with Ethiopia; this man was born there.
But on Osning (part of the Teutoburger Forest) the Lord shall count those sprung from blood of the sons of Mannus: Ingo, Istu and Ermin (ancient Germanic gods).	And of Zion it shall be said, This and that man was born in her; and the highest himself shall establish her.
	The Lord shall count, when he writeth up the people, that his man was born there. Selah.
	As well the singers as the players on instruments shall be there; all my springs are in thee.

Pagans and Pageants

A new "divine order" arrived. Christian holidays were turned back into the pagan festivals which were their origin. Last Easter, Berlin broadcast a pagan ceremony announced as "German Spring festival." "Ostermond" (Easter moon) was used significantly in place of April. Such festivals, also associated with and observed at the Summer solstice, are designated to fill an important place in the life of the German child—a place hitherto taken by confirmation. They are called *Jugendweihe* (dedication of youth) and are held in the open air. There was a pagan *Jugendthing* (youth rally) in the Rhineland, and at Heiligenburg, the "Holy Place" above Heidelberg, originally dedicated to Wotan and a place of pilgrimage for pre-Christian Germans, Dr. Goebbels joined in the ceremonials when Dr. Bernhard Rust declared he would refuse to answer those who considered such a festival essentially heathen. At a youth sport festival that marked the lighting of solstice fires throughout Germany, General Goering held that the proceedings were a holy act. Thousands, mostly young people, come to worship at such occasions. They worship their Ger-

manic forefathers. Consciously or unconsciously they worship Germany. There is no ritual and no creed. But the ceremonies have the combined character of nationalism and religious feeling. A fire is lighted. Fuel is added. The flame mounts higher. Groups of boys and girls form circles and, marching and dancing, they chant the tale of the "Light Birth of Baldur." The "flame oration" is held. The torches go out. Slowly the crowds walk home, chanting their songs monotonously. Here is one of them:

> I am a branch of your stock, a flame of your fire.
> I am a seed ripening in your earth, a leaf caressed by you.
> In every hour I am one with you, deeply bound to you.
> You are in me and I in you, My German Folk, My German Land.

At a recent ceremony planned and staged by Hitler Youth groups near Leipzig, a Christian cross of wood was symbolically burned in a bonfire built to signify the resurrection of the old Teutonic faith. Another Hitler Youth group in Halle was treated by its leader to a "German marriage." It took the place of the Christian marriage sacrament and resembled closely the ceremonies of the Nordic pagans. Potsdam, known for its conservatism, was recently the scene of a scandal when a teacher giving Bible lessons closed the book suddenly and announced to his class: "If you want to believe that, you can. As for me, I believe nothing of that sort."

Is the Reich to recognize the new Teutonic faith and is the neo-heathen movement to become its "third religion?" The movement, so far, has emerged as a corporate body with the State and the Fuehrer as objects of veneration. It enjoys the same privileges and prerogatives as the Catholic and Protestant churches, and this, according to its anti-Christian character is not surprising. It is closest to Alfred Rosenberg's heart, who in his "Myth of the Twentieth Century" advocates the elimination of the crucifix from German worship. He is responsible for molding the minds of the storm troopers, millions of workers in the Labor Front, and, above all, millions of youths organized in the Hitler Youth. Their leader, Baldur von Schirach, although less outspoken in his anti-Christian dogma, supports the new faith. So does Rudolph Hess, Hanns Kerrl, Minister of Church Affairs, Dr. Frick, Dr. Darre, and Dr. Robert Ley, Dr. Ley has declared that "in the interpretation of political expediency we hold ourselves to be the instrument of God."

God—or a German God?

As the government's spokesmen, they all have recourse to the phrase "positive Christianity," a promise that Nazism will support it as laid down in Point 24 in the Nazi party's program. But it cannot be overlooked that in the mouths of Rosenberg and his disciples "positive Christianity" does not mean what it would mean in the mouth of a Catholic or Protestant clergyman. Rosenberg's book and Ernst Bergman's "The German National Church" have been banned by the Vatican. Nor is the courage of protest dead inside Germany. An Evangelical memorial has protested against pagan deification. Cardinal Faulhaber in his famous Advent sermons demolished the Nazi theory that Christianity owes its value primarily to Teutonic influences. Cardinal Bertram's pastoral letter challenged Nazi neo-paganism. Such appeals have not failed to impress the minds of Christian-minded parents whose children strive not to become "slaves of morality."

Once more, the age-old struggle between liberty and tyranny, between the orders of rulers and personal freedom threatens to jeopardize the religious belief of the individual. Who shall it be—God or a German God? And if it is the God of Christianity and He is to survive—will He be the one who in the conception of the German poet Schiller lives "to punish and to revenge?" The Kaiser failed in his "God-like" attitude. In the conflict between the German State and the Catholic church, which became known as the *Kulturkampf*, Bismarck, who never was compared to God, finally lost. Can Adolf Hitler, "God's Agent," finally win?

"JEFFERSONIAN DEMOCRACY"

The term has often been used but seldom explained in its true light

BY HERBERT HARRIS

THE term "Jeffersonian Democracy" has become a counterfeit, its original purity debased by bias and wish-fulfillment and that pathos of distance which is text-book distortion.

Such divergent figures as Franklin Delano Roosevelt, William Randolph Hearst, and Floyd B. Olson have used "Jeffersonian Democracy" to describe the kind of social order they would like the United States to become. Of course, such contradictory interpretation of the gospel are not of recent origin. In 1828 for example, Andrew Jackson turned the old Jefferson party upside down, all in the name of its founder. Abraham Lincoln culled his most cogent anti-slavery arguments from the famed "Notes on Virginia." At the same time Jeff Davis found just and inspired reasons for secession and civil war in the Kentucky resolution drafted by his namesake to void the Alien and Sedition Acts when the Federalists were royal and Hamilton was their king.

It is high time for definitions; to discover, first of all, what the doctrine actually meant when the great and doubting Thomas hammered it out from the strivings and aspirations of the American Revolution, using John Locke as anvil and the Physiocrats as a forge.

Thomas Jefferson was a farmer in a nation more than 90 per cent agricultural. He was also the father of Populism, a first premise of which is that the farmer is a more honest and generally superior person because he is a farmer, Q.E.D. "Those who labor in the earth," Jefferson declared in 1782, "are chosen people of God, if ever he had a chosen people; whose breasts he has made his peculiar deposit for substantial and genuine virtue. It is the focus in which he keeps alive that sacred fire, which otherwise might escape from the face of the earth. Corruption of morals in the mass of cultivators is a phenomenon of which no age nor nation has furnished an example. While we have land to labor then, let us never wish to see our citizens occupied at a work-bench, or twirling a distaff."

Jefferson's mystic faith in the husbandman, per se, was never basically altered. It was, moreover, reinforced by his pioneer psychology. It has never been sufficiently stressed that his early conditioning was that of the backwoods. Until he was eighteen he had never seen twenty houses, all at the same time. He was brought up in Louisa county, Virginia, in a region which comprised the first West in America, where Patrick Henry himself, in buckskin breeches and coonskin cap, had won his first fame as the great hunter of Hanover.

It was this environment which shaped Jefferson as a youth, imbuing him with his unshakable belief in the right-willing and well-meaning of the common man, providing only that he was a freeholder. It enabled him to transfer the idealism of Quesnay and the other physiocrats to a nation prepared for it by its own exaltation of the individual and its ever-increasing rejection of caste. It helped make him the symbol and spokesman for a new social order during a time of transition from a monarchial dependency to a republican state.

Although Jefferson could write with a scholar's precision on the Greek alphabet, French architecture, and American archeology, he never set down any lengthy or

substantial treatise on political science. His views on this subject are scattered through his formal writings and a colossal correspondence. Besides, like Walt Whitman, he too "contained multitudes"—multitudes of speculative and practical ideas. At least he can never be accused of any mean consistency. His was a treble personality—philosopher, politician, propagandist. What the first dreamed, the second denied, and the third upheld either or both. Yet underlying his many apparent contradictions was the outlook of a pragmatist. He believed that adaptation to present need was far more important than adherence to the folkways and work-ways of the past. He had an acute sense of change as life's first law. To the brave new world which was the America of his day he brought a vigorous contempt for precedent, *ipso facto*, and a zeal for exploring new territory that enraged his opponents and baffled his friends. For example when he drafted the Declaration of Independence, the exotic of French humanitarianism replaced the norm of England's whiggery. Samuel Adams and other American imbibers at the Lockian fount were satisfied with the usual enumeration of life, liberty, and property when it came to human rights. But Jefferson gave this concept a new vitalizing twist when he substituted the ascendant "pursuit of happiness" for the mundane "property."

Liberty and the State

It was his hope that a new nation could escape the evils and injustices of European systems of government. He knew from personal observation the wretchedness of the peasant and the workingman in France and Italy. He saw that the old-world method of politics merely meant that the state apparatus was used by an aristocracy or oligarchy to advance its own economic interests, to wring taxes from the poor with which to support great armies and maintain the few in privileged places. He therefore distrusted the leviathan principle of the political state, the state *über alles*, which inevitably became too complex for popular control. The more powerful and centralized the government, the more it ramified out, the greater the threat to human freedom.

The political geography of the colonies dove-tailed with this view. The custom of local home rule was indigenous to the American scene with its widely-spaced settlements, its relatively slow means of communication and transport. As a whole, he thought, this style of government would prove to be beneficial. At least in a small self-sufficing community almost everyone could participate in public affairs. So soon, however, as a government was removed to a plane above the people, and apart from them, their interest would first lapse and then degenerate to feelings of apathy, inertia, futility. The very distance and alien quality of any such political operation, separated from intimate contact with the populace, would permit an unscrupulous minority to seize sovereignty and erect a new despotism, the more pernicious since it could become well-nigh invisible.

It was for such common sense reasons that Jefferson advocated a decentralized government and defended states' rights. In a day of radios, aircraft, and telephones the sheer physical basis for this attitude is all but destroyed--a point too often neglected by gentlemen who, in Jefferson's name, weep over the rapine of states' collective virginity by the villain of Federal jurisdiction.

This devotion to a local flexible government as against a national rigid variety brought down on his head the imprecations of the "rich and well born" in the North who wanted to set a "stable" government with themselves as its stabilizers. It should be noted that Jefferson's antagonism to the funding and assumption of the debts, and the creation of the first Bank and the like, sprang in large part from the typically planteresque ignorance of, and aversion to, the arts of finance, commerce, manufacture. Their own wealth and well-being were based upon the exploitation of slave labor in rice, tobacco, and cotton fields. Besides, they were usually head over heels in debt to British creditors who were succeeded after the Revolution by their American

prototypes. Even then to the Southern mind, the "damned Yankee" was a mean-souled person, fusing Puritanism, stock-jobbing, and paper plunder into a money-grubbing creed.

Jefferson's Political Theory

Thus, Jefferson's opposition to the Federalist administrations was rooted in a four-fold fear: (1) that its enlargement of the army and navy would hike the costs of government and impose added tax burdens upon the agrarian interests, like the unjust excise on liquor; (2) that its fiscal measures would "squeeze" the rural debtor; (3) that its emphasis upon a strong elaborate government would breed a new monarchy, (4) that the Federalists, with the exception of Washington and Adams weren't very trustworthy or admirable human beings, in any case.

In a letter to his Italian friend, Mazzei, dated April 24, 1796, he complains: "In place of that noble love of liberty and republican government which carried us through the war, an Anglican monarchial aristocratical party has sprung up, whose avowed object is to draw over the substance, as they have already done the forms, of British government. The main body of our citizens, however, remain loyal to their republican principles; the whole landed interest is republican. . . . Against us are the judiciary, the executive, two out of three branches of government, all the officers of government, all who want to be officers, all the timid men who prefer the calm of despotism to the boisterous sea of liberty, British merchants and Americans trading on British capitals, speculators and holders in the banks and public funds, a contrivance invented for the purposes of corruption. . . . It would give you a fever were I to name to you the apostates who have gone over to these heresies, men who were Samsons in the field and Solomons in the council, but who have had their heads shorn by the harlot England. . . ."

The question next arises: what happened when Jefferson himself ascended to the presidency and he and his followers had

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THOMAS JEFFERSON

the opportunity to translate their ideas and ideals into action?

At first glance, they did a great deal. They carried out their campaign promises to simplify government and make it less costly. The new president's inaugural ceremony was aggressively spartan. Military appropriations were quickly cut down by reducing the number of men in the army. The construction of war-vessels, depended on by New England Federalists to protect their shipping on the seven seas, was abruptly abandoned. The circuit courts, brimful of John Adams' "midnight judges" were abolished and juristic salaries turned back into the treasury. Bureaus and departments in the civil service were eliminated, and unnecessary jobs thrown out. Government expenditures, excluding interest on the public debt, were reduced from $7,500,000 for the fiscal year 1800 to $5,000,000 for 1801; and for the three years thereafter an annual reduction to $4,000,000 was attained.

Such savings enabled Jefferson and his Republicans to take off the duties on whiskey, an act which was a benison to the

farmer who, because of bad roads, had found it more profitable to transform his grain into spirits and haul it to market in that more portable form. No other measure so concretely typifies the Jeffersonian concern for the son of the soil. Taxes on such necessaries as salt, sugar, and tea remained on the books, despite the loud complaints of other elements in the population. The Louisiana Purchase itself was largely prompted by a similar solicitude for all who gained their living from the land.

So far the actions of the Republican Party, even if partisan, harmonized with Jeffersonian principles. To all apparent purposes they had rectified Federalist extravagance and "abuses" even to sloughing off the Alien and Sedition Laws. They had established that responsive and "wise and frugal" government upon which Jefferson set great store. In brief, they had done everything they could to substitute agrarian control for the rule of the monetary and mercantile classes. Only the artisans in the city were neglected. They had to content themselves with the blessings of liberty.

Conciliating the Federalists

On the other hand, the leading Federalists, the self-acclaimed men of "principle and property," were handled with kid gloves. There was nothing else to do about it. Jefferson was forced to conciliate them. Conquest was impossible. During Washington's two administrations they had entrenched themselves with such vigor and tenacity into American economic life that there was hardly a financial operation in the country which was not influenced by the beneficiaries of the first Bank, the "corrupt squadron" of financiers in Boston, New York, Philadelphia.

They were formidable to fight. Their strength was not, however, the result of any great astuteness nor foresight. They were, at least in the matter of assumption, crude pirates rather than cunning cambists. But destiny had made them the agents of the new roaring capitalism, engulfing the nation like a tidal wave propelled by the new moon of the industrial Revolution. The country was vast, rich in resources of field, forest, water-power, minerals. The growth of population rivaled a rabbit warren. Demand for countless commodities exceeded the supply. Land—good land—was a dollar an acre.

The expansion of the country required capital and credit; and the Federalists mainly held both.

The Compromise with Hamilton

Compromise with a necessary evil was the order of the day lest the fulfillment of prosperity's promise be thwarted. "When this government was first established," Jefferson lamented to his friend, Dupont de Nemours, "it was possible to have kept it going on true principles, but the contracted English, half-lettered ideas of Hamilton destroyed that hope in the bud. We can pay off his debts in 15 years; we can never get rid of his financial system. It mortifies me to be strengthening principles which I deem radically vicious, but this vice is entailed on us by our first error. . . . What is practicable must often control what is pure theory. . . ."

From compromise it was but a short step to emulation. The Republicans began to realize that the banks of the country would be turned to their own political uses, just as the Federalists had employed them to buttress and amplify their own power. "As to the patronage of the Republican bank in Providence," Jefferson replied to a henchman, "I am decidedly in favor of making all the banks Republican, by sharing deposits among them in proportion to the dispositions they show; if the law now forbids it, we should not permit another session of Congress to pass without amending it."

After 1800, men who wanted to get ahead in banking switched their party label from Federalist to Republican, and flourished accordingly. Then as now, the bankers didn't very much care who made the nation's laws as long as they made its money. In a word Jefferson initiated the great American custom of driving the money changers out of the temple and inviting them home to lunch.

GENEVA'S FUTURE

Proposals for reform flood the League, for peace depends upon its continuance

BY FRANCIS O. WILCOX

HALF a League! Half a League! Half a League Onward!" Once again the battle cry of those who support the League of Nations' ideal can be heard in a world gone mad with nationalism, armaments, and dictatorships. Since the outbreak of the Italo-Abyssinian dispute an interested and excited world has seen the League rise to scintillating heights, hover there for a moment, and then drop with a resounding thud to perhaps the lowest depths yet encountered in the checkered career of the Geneva institution. Even the skeptical were impressed when the Council and Assembly called Mussolini's bluff and by daring to apply sanctions against Italy created hopeful precedent for international organization.

But sanctions failed. And in June, when little Haile Selassie appeared before the Assembly to plead the cause of his country, League stock reached a new low. "God and history will remember your judgment," he said. The League wished to forget and begin anew.

It was inevitable that the Italo-Abyssinian fiasco should result in a veritable flood of suggestions for League reform. Mussolini himself, on the same day that he bellowed in Rome that "Ethiopia is Italian," commented that the League "can and must go on." But, he said, "it has become a matter of common agreement that the League needs reorganizing." Following that memorable day, concrete proposals to revamp the Geneva institution poured into the Secretariat from over 40 states. In the meantime, while a special Committee of 28 has taken the various suggestions under consideration, the world has been hopefully yet skeptically waiting to see just what form the new League would take.

Thus far the Committee has made little progress. The original burst of enthusiasm that characterized the move seems to have died down and it is even reported from Geneva that "reform is en route to the shelf." Not that the proposals themselves are inadequate. The trouble is the basic issues involved—*regionalism* vs. *universality*, *revision* vs. the *status quo*, *coercion* vs. *voluntaryism*—have divided and redivided League members until agreement seems almost impossible.

Universality Versus Regionalism

Take the question of universality. Some states including Russia, France and her followers, are still worried about security and favor a strong League made up of like-minded states which could act swiftly and decisively in case of aggression. Others, including certain South American countries who view the European tinder-box from a safer vantage point, would have the Geneva institution transformed into a universal organization even though its activities be confined to social and humanitarian work, consultation, etc. Their aim, universality at any price, may well be contrasted with the stand of the strong League group as expressed by Maxim Litvinoff last September. "Better a League without universality," he said, "than universality without League principles."

While the British position has not been too clearly defined, last May Prime Minister Stanley Baldwin pointed out with considerable regret that the United States, Germany and Japan remained aloof from

Geneva. "If any changes can be seen to be feasible," he said, "to induce those nations outside the League to come into it, I hope they will be considered with all sincerity and every desire to make the League at last what it was hoped to be at the beginning—a universal League."

But a universal League today could mean only one thing,—a League with most of its teeth pulled. Article X and the sanctions system—the very heart of the Covenant—would have to go. It is doubtful if Germany and Japan, with several territorial escapades up their sleeves, could ever be inveigled into a strengthened League. Furthermore, Mussolini still has a bad taste in his mouth from the application of Article XVI against Italy and he probably would refuse to stomach any great increase of power at Geneva.

And what about the United States? Our cooperation most of all is desired at Geneva. Today, however, finds the United States (with respect to League *membership*) drawn further back in its shell than at any time since the early 1920's.

Official statements issued by numerous other states lend further weight to the conclusion that a universal League (if such be possible) would not be able to secure binding commitments from all its members. It would have to content itself with attempting to maintain the peace by use of moral suasion and diplomatic negotiation. But even the most idealistic internationalist would be hesitant to admit that such platonic methods were adequate weapons to cope successfully with fascist force.

On the other hand, the chief aim of the French clique and some of the smaller states of Europe is to bolster up the wobbly League structure by reinforcing the Covenant with a series of regional pacts of mutual assistance. Carrying out the idea of regionalism, the French would localize collective security and limit it to a particular area, after the fashion of the Pact of Locarno. Then, in the event of aggression in any particular region, each of the remaining states would be pledged to take immediate military action against the aggressor. The obligation of nations outside the aggression zone, however, to apply financial, economic, or military sanctions could very well be graduated in accordance with their special situation and geographical location.

With this type of collective security in full swing, Italy's fascist troops would stand guard over Austria, and Great Britain would renew her pledge (expressed at Locarno) to defend France and Belgium against Germany. But while a number of regional pacts might be concluded in Europe, Asia and America, there would seem to be little possibility of coaxing the states of Eastern Europe into such an agreement since Hitler has repeatedly evinced an unwillingness to cooperate in this way with his Russian neighbor.

For Quicker Action

Two other closely related proposals designed to increase the effectiveness of League machinery have thus far met with the general approbation of the delegates. These are: first, some arrangement to enable the League to intervene in the early stages of a dispute and, second, the weakening of the principle of unanimity.

The necessity of gearing the machinery to a higher pitch is obvious. For months in 1935 Mussolini, a past master at bluffing and political intrigue, parried with the League to gain time, and all the while he continued to pour his black-shirted troops into the Abyssinian wilderness and painstakingly set the stage for the slaughter of his innocent victim. As a matter of fact, because a big power was involved, Geneva was only too glad to pass by on the other side. Then in September, with the problem child once more on the League doorstep, Geneva's peace machinery was so cumbersome and slow that Italy had her way in spite of the protests of over 50 states of the civilized world.

All this inefficiency and delay would be obviated if Russia had her way. Maxim Litvinoff has recommended automatic action by the League in case of serious disputes. Under the Soviet plan, in the event

THE LEAGUE OF NATIONS TODAY
Germany — withdrew 1935
Japan — withdrew 1935
Guatemala, 1938
Honduras, 1938
PACIFIC OCEAN
Nicaragua, 1938
Costa Rica — withdrew 1927
ATLANTIC OCEAN
Brazil — withdrew 1928
Paraguay — withdrew 1937
STATES NOW MEMBERS OF THE LEAGUE
MANDATED TERRITORIES
STATES NOW WITHDRAWING with effective date of their resignation
FORMER MEMBER STATES OF THE LEAGUE
STATE NEVER MEMBERS OF THE LEAGUE
Fact Picture Prepared By © Charles Hodges

hostilities broke out, the League Council would meet within three days' time. It would then decide within an additional three-day period and by a vote of only three fourths of the members present whether circumstances justified the application of Article XVI. Following an affirmative vote it would then be the duty, under the provisions of mutual assistance agreements, of all states in the affected area to apply military sanctions against the state that had resorted to war. Other states outside the region would be obligated to conform to the recommendations of the Council under Article XVI.

It is doubtful, however, if a large majority of League members will support such drastic proposals. According to the current interpretation of Article XVI, states have the privilege of deciding for themselves the extent to which they are obligated to apply sanctions. This prerogative will not be lightly abandoned, for governments naturally hesitate to assume obligations to use force in unforeseen circumstances and in disputes "over whose origin and over whose development they have had little or no control."

Somewhat brighter prospects, however, are held forth for weakening the unanimity rule. On various occasions, states involved in disputes have prevented desirable action from being taken by selfishly casting a negative vote. A classical illustration is found in the Council's consideration of the Sino-Japanese conflict. Hostilities had just broken out, and Briand of France, in order to ease the tension and allow negotiations to be carried on in a more peaceful atmosphere, proposed that the Japanese troops be withdrawn from the war zone. But Japan voted "no" and the resolution was defeated by a vote of 13 to 1. It would seem just as sensible to allow an accused murderer to sit as a member of his own trial jury as to permit a state to pass judgment on the wisdom of its own misdoings.

The French Government has effectively argued this point both at home and at Geneva. "It is contrary to common sense," declared the Blum Government to the French legislature last June, "that a state whose action has created a threat to peace should by its vote be able to paralyze the action of the community." Since the League, in such circumstances, is powerless to prevent the preparation of a conflict, France proposed "to put an end to this paradoxical situation." While many governments have rallied to the support of France, opposition may be expected from several intensely nationalistic states, such as Poland, Italy, and certain smaller countries who insist upon state equality before all else.

One discouraging and even ominous result of the discussion in Geneva thus far is the indication that treaty revision is just as inadmissible now as at any time since 1919. Article XIX, which provides for the "reconsideration" of inapplicable treaties, remains a dead letter and any attempt to rejuvenate it meets with stubborn opposition from the *status quo* group. France has consistently refused to tamper with the peace treaties, and the Foreign Minister of Czechoslovakia reiterated not long ago the Little Entente attitude that "we are prepared to take steps for their respect by all the countries concerned."

Consequently, the League, by solidifying an unfair *status quo*, has not been based on true principles of justice. As the late Frank Simonds has written: "It has become an instrument to perpetuate wrongs, always available to the beneficiaries of such wrongs, but never within the grasp of those who seek to escape." And it is difficult to see how the League can ever be a complete success unless it be a dynamic, living organism, helping and encouraging its members to keep law and justice on the same high plane.

A number of other proposals are receiving the consideration of the Committee of 28. These include: (1) separating the Covenant from the peace treaties, which would remove from the League the onus of its questionable birth and give it a fresh start in life; (2) harmonizing the Covenant with the Kellogg Pact in order to close the famous "gaps" in the Covenant and completely outlaw war within the League sys-

tem; (3) making withdrawal from the League more difficult; (4) inaugurating an *effective* program for disarmament,—which would seem to be absolutely essential if war is to be averted. (5) making the amending process easier; (6) granting the Council or the Assembly more power of a legislative nature; (7) reforming the Council in order to place the great powers more definitely in control; and, finally, comes (8) the suggestion from various sources (including the British) that the League undertake an inquiry into the access of various countries to the raw materials of the world.

Obstacles to Reform

Several seemingly insuperable obstacles, however, stand squarely in the way of adequate League reform. First of all, nothing could be more difficult than to secure agreement among some 60 states on such ticklish problems as sanctions, disarmament and treaty revision. Secondly, an even more laborious and time-consuming process is the extraction of formal ratifications from the governments of a sufficient number of League states. Consequently, if any significant changes are to be made it is probable that they will come in the way of "interpretations" and special agreements rather than formal amendments to the Covenant itself.

In the third place, satisfactory League reform depends to a very considerable extent on that post-war phenomenon, which cuts across practically every international problem—fascism. For the basic principles of fascism—nationalism, expansion, armaments, force, war—are diametrically opposed to the ideals of democracy on which the League of Nations was founded. Consequently, the action of the Committee will to a large extent be contingent on the outcome of the Spanish civil war, the projected Locarno conference, and European developments in general. The League is but the plaything of fate, and its strength will inevitably vary in direct ratio to the power of fascism in the world.

But suppose Hitler and Mussolini refuse to cooperate and continue to flout the authority of the League and of international law? Then fascist force must be met by the organized force of the League, made up of states inspired by common ideals and guided by common policies.

Americans are much too eager to ridicule the League, to condemn it for its obvious defects. But, by and large, it has performed its duties well; certainly it has functioned far better than any similar institution the peace-seeking world has yet devised. In its short 17 years it has settled many serious disputes besides encouraging international cooperation in numerous fields.

The League's magnificent new home in Geneva, its staff of some 500 officials and experts, its extensive library and research facilities, its avowed aims and purposes, —all are adequate. The Covenant, too, is adequate, for if interpreted liberally it bestows upon the Council and Assembly ample power to cope with any situation that might endanger the peace of the world. In short, the crying need today is not the adjustment of the League's physical equipment or the revision of its basic law, but a reformation of its member states. And that is the most difficult task of all, for history has shown that states ordinarily raise themselves to great creative heights in international organization only after being jolted into sensibility by some terrible catastrophe such as the Napoleonic wars or World War.

At the present writing extensive reform of the League seems unlikely, even undesirable. On the other hand, signs of increased international cooperation—the tri-power monetary agreement, the Anglo-Italian accord, Hitler's recent promises, etc. —have appeared on the horizon. If and when prosperity returns and Europe regains her senses, Geneva may become once more the stronghold of European peace. This much is true, the Geneva institution is here to stay, whether its powers be expanded or contracted, for the germ of world unity is to be found in the League of Nations ideal. That is clearly shown by the fact that there have been no suggestions to *abolish* the League—only to *reform* it.

THE COST OF CRIME

Crime costs fifteen billions a year, yet public apathy is its major cause

BY EDWARD C. McDOWELL, JR.

EVERY 45 minutes there occurs a death by violence in the United States. During the last 24 hours, 37 persons have been wilfully murdered throughout the land. Tomorrow there will be another 37, and the day after that. . . . These wilful murders add up to more than 12,000 in the course of a year.

Today 150,000 murderers are at large in the land, mingling with the population. And less than half of them were at any time incarcerated for the murders they committed. An army of 200,000 people now living ordinary lives will commit murders before they die, and their toll will be 300,000 slain. Of these future murderers some will be executed, and some will die in prison—but two thirds of them (or about 125,000) will never be convicted.

Each year 1,500,000 major crimes are perpetrated in the United States. This does not include petty offenses and misdemeanors, but such crimes as rape, assault, murder, burglary, robbery, and kidnapping, as well as fraud and embezzlement. This is at the rate of one major crime committed every 20 seconds. There are 3,500,000 known criminals in the United States, and about 700,000 of them are boys and girls under twenty-one years of age.

Fifteen billions of dollars. That is the annual crime bill paid by the people of this country. This official estimate is conservative. There are other losses suffered as a result of criminal activities that cannot be expressed in terms of dollars.

It is almost impossible for us to visualize the size and power of the criminal element of the country. We hear about crimes when they are committed in our locality or when they are spectacular. The professional criminal does not advertise his business or publish his gross revenue, and the wails of his victims are so commonplace as to make little but a passing impression. It is only when a special grand jury begins rummaging through the poultry business that we are amazed to find that we pay a sizeable tribute to organized crime every time we buy a broiler. These special investigations are made from time to time in every field of life, from the artichoke racket to the white slave trade, and they are nine-day wonders that distract or interest us until something else looms in the news to divert us.

Because crime is so widespread and so hidden, and because the professional criminal goes about his business so quietly, we are left with no visible tags from which to read the cost of his work. When a man holds up a bakery and takes ten dollars from the till, he is not adding a mere ten dollars to the crime bill of the country, for that is only the beginning. His little act starts the wheels of justice moving, which are expensive things to start. Eventually he is arrested, held, tried, and put in prison. The entire procedure, from first to last, will probably cost the public several hundred dollars. But this is just the ordinary petty crime. It is when the big criminal operates that the public till groans. The costs involved in actually getting some powerful and rich racketeer into a courtroom is a big item. The days and weeks of court procedure, and the endless legal delays, mistrials, appeals, and other incidents, run up a bill that should please the vanity of any criminal. This bill is especially

ANTI-CRIME FORCES: Those fighting crime outnumber the U. S. Regular Army, which has a strength of 166,000.

large when it is considered that the defendant has about an even chance of "beating the rap."

Added to the actual expenses of trial are many indirect costs which have occurred as a result. If our man goes to prison, the costs go right on, for we have to keep up a complicated judicial and penal system in order to insure a fair meting out of justice and punishment.

The Criminal Army

This underworld of ours, with its 3,500,000 members, is actually a power unto itself. It has its own laws and customs, its own ways of life and language, and its own standards. When its members get out of line, it appoints itself as judge, jury, and executioner. The machinery of its judicial and penal system is not slow, nor does it fall over backwards being fair. Its punishments are swift and sure. Its members are bound together by mutual suspicion and common fear.

Its activities are operated on modern and efficient lines. Allied with it are experts in every field of business and science. It even maintains its own doctors and nurses. Within this loose general society, each criminal follows his own particular bent or racket. Each of these rackets—whether it is narcotics, or mail fraud, or robbery—is separately organized in order that its members can surmount the two common perils of his trade. These are: to avoid detection; and second, to be able to dispose of stolen goods or "hot" money, or whatever. To this end, he reaches out into legitimate fields and hires lawyers, doctors, accountants, garage owners, and so forth to serve his ends. As he prospers his ramifications spread, and sometimes he finds that he has to get "right" with the police, the magistrates, the assistant district attorneys, and the lesser politicians. When these officials cannot be suborned he is naturally at a disadvantage.

This unhealthy condition is greatly aided by the normal state of public apathy. When the public becomes aroused, as it does periodically, then criminal pickings are small. But the underworld understands these cycles, and when they pass it goes smoothly back to work, boring from within, and chiseling off its tribute in every way that is practical.

It is against this underground enemy that the forces of law and order must make headway. But the fight is an uneven one, for the underworld is organized and efficient in a way that is quite consistent with the risks it runs and the spoils it stands to gain. But the forces of the law are neither organized nor equipped to combat them effectively, and, what is just as important, they do not always have the morale and impetus to make up for this disadvantage. Policing is too close to practical politics in most parts of the country, and a man can too easily step on important toes by displaying a more than ordinary initiative. Almost every policeman is honest, but it ill behooves a man with a wife and children and a politically controlled job to "stick his neck out," as the phrase goes.

More important still, however, is the antiquated system of police jurisdictions and legal jurisdictions with which the country is cluttered—and for which it pays dearly. Designed in another generation, when crime was localized by reason of poor roads and indifferent transportation, it still persists today, when a determined bank robber in a fast car can whisk his loot not only out of the local police jurisdiction, but out of the state in a short time. This is a splendid set up for the criminal, who knows no State lines or jurisdictions, in his trade, just as it is for the parole-jumper. Many police authorities, indeed, think that they have done their duty in a neat manner if they succeed in scaring the local criminals out of the local jurisdiction into some other town where they can become the problem and expense of some other community, and welcome.

Nor is it expedient for some of the poorer communities to stand the cost of too many long and expensive prosecutions, for regardless of the public weal, the court deficit does not look well at election time.

Parole

The parole system is currently one of the sore spots among the various schools of thought in penology. As it is worked today throughout the nation, it probably contributes as much to the national crime bill as any other single factor. There is no one system, but rather a hodge-podge of them. The greater number of them try awfully hard to bear out some theory involving the love of fellow man. Intended to help a man rehabilitate himself and so regain his self-respect, they often result in turning great numbers of hardened criminals loose on society. It was while Dillinger was on parole that he engineered a bloody jailbreak for his friends. Nor are all of the parole systems administered either efficiently or honestly. In certain states a criminal released on parole can forget his parole obligations entirely by crossing a State line, for he cannot be picked up for violating parole unless he is caught in the State that paroled him.

What the Department of Justice thinks about the parole systems in effect throughout the land is best summed up by Mr. J. Edgar Hoover, Director of the Bureau of Investigation. In a recent speech he said, in part:

> In many States it is only necessary for criminals to write an occasional letter or form post-card to inefficiently-administered parole boards, telling them that they are observing all the promises which they made upon their release. Such is the Mumbo Jumbo of parole in America! I leave it to the common sense of my listeners to decide whether these men voluntarily will send in mail-order confessions of their misdeeds so that they, of their own free will, may be returned to the prisons from which they worked so hard to be freed. In many States, full pardoning and parole powers are vested in one man who, himself, is subject to political pressure and monetary temptation.
>
> If these statements give the impression that I am an opponent of the theory of parole, I must deny it. I am one of the best existing friends of the principle that a man should be allowed to rehabilitate himself. I make only one qualification, which is that the parolee must give some reasonable hope that rehabilitation can be accomplished. The sentimental moo-cows and slobbering sob-sisters, the gushing well-wishers of the convict, and the criminal-coddlers who go about shouting of their love for their fellowmen are in reality enemies of convicts really trying to attain proper citizenship, in that they eternally damn the parole system by allowing a wrong type of violator to obtain easy freedom.

Where the parole system most closely touches the cost of crime is in the fact that its workings have tended to make the criminal less afraid of getting a prison sentence.

The number of criminals who are repeaters is effectively gauged by the collection of fingerprints and records on file in Washington at the Department of Justice. During November, 1936, it was found that 52.2% of the criminals whose fingerprints were received were already represented in the files. This percentage is conservative.

Certainly the size of the law enforcement forces throughout the country is adequate if it is, at the same time, coordinated and modernized in organization. First, we have fifteen Federal prisons and reformatories and more than 100 State penal institutions. A personnel of more than 14,000 persons is necessary to run them. In addition there are more than 3000 county jails that probably employ well over 25,000 persons, although there are no accurate statistics on that. Finally, every city, town, village, and hamlet in the land has at least one local jail.

According to the last census America supports 12,865 detectives, 9,350 marshals and constables, 4,270 truant and probation officers, 15,338 sheriffs and deputies, and 131,687 policemen. That is a total of 173,510 peace officers of various sorts on the public payroll. Many cities would increase their police forces if they could afford to.

But the cost doesn't end with the public service. Many industries and corporations have been forced to supplement the regular law enforcement bodies with their own police, especially railroads, who have valuable freight lying around the country in their freight cars and terminals. Banks, jewelry companies, and stores with large stocks have taken up this practice, too. Thus, in addition, must be counted another army of property protectors: 11,204 private police, and 148,115 guards and watchmen.

The cost of all this—fifteen billions of dollars—is almost as great as the total of all the taxes paid each year in the nation.

BURMA DIVORCES INDIA

After one hundred years' union, Burma effects a declaration of independence

BY JOHN L. CHRISTIAN

AFTER a union of more than one hundred years Burma and India have come to the parting of the ways. On the first day of April, the Burmese, who have been described by Sir Clement Hindley as "perhaps the most attractive people in the whole of the British Empire," become independent of India for the first time since 1824.

It was in 1824 that the first of the Anglo-Burmese wars broke out. Subsequent wars were fought with the English in 1852 and 1885, but it was during the first war that Great Britain took her initial steps toward placing Burma under English administration. A commission of British officials from India was appointed to take over the territory acquired from Burma, thus beginning a union between India and Burma that was based upon convenience in governing and historical accident. This union was not dictated by a comity of interest between the peoples of India and Burma but was accepted by the Burmese, at that time without political consciousness, without protest.

It is a universal opinion, however, that Burma should never have been placed under the government of India. The destiny of Burma lies in the hands of the Burmese themselves—in the idealism and honesty of her public men entrusted with the task of administration and in the earnestness with which they endeavor to uplift the masses.

Burma is the largest in area and the smallest in density of population among the major provinces of the British Indian Empire. It extends from a partially undemarcated and unadministered frontier in the north, shared by Assam, Tibet, and China, to Victoria Point on the Malay Peninsula within four hundred miles of Penang. Its area is as large as Texas and its population is equal to that of New York and New Jersey combined.

It is little wonder that Burma attracted the empire-building British. In natural resources the riches of Burma exceed those of any other province of India. Her oil fields along the Irrawaddy River constitute the principal source of petroleum yet discovered within the widespread British Empire.

Today Rangoon, Burma's principal seaport, is the world's greatest rice exporting city, and since the decline of immigration in America it has surpassed New York as a passenger port due to the annual arrival and departure of more than 350,000 coolies who come across from India to plant and harvest the rice crops. Burma's jade and rubies have long provided the world's principal sources of these gems while her exports of amber and sapphires are scarcely less renowned. During the Great War, Burma's wolfram constituted one of the principal supplies of this essential commodity.

Under the development fostered by Mr. Herbert Hoover the Bawdwin mines, near the Chinese frontier, became one of the world's largest producers of silver and lead. There remains to be mentioned Burma's forests of teak and other hardwoods which have been used for more than a century in the British navy.

The entire populous area of Burma proper lies within the tropics and is subject to the alternate wet and dry seasons of a typical monsoon climate. From May until

ON THE ROAD TO MANDALAY: Burma achieves independence from India this month after one hundred years of union. The boundary between the two dominions is shown at the center right.

October the rainfall along the Tenasserim and Arakan coasts may reach two hundred inches or more while in the central "dry zone" area, extending roughly from Mandalay to Prome, the average rainfall is around fifty inches per annum. With the exception of the hill tracts and the dense forests where malaria is prevalent, the climate is not particularly unhealthy for Europeans under modern conditions.

The Burmese Religion

Spiritually the Burmese are Buddhists, ethnologically they are Mongolians, representing the descendants of tribes who came south from Tibet and western China and amalgamated with immigrants who came directly from India. The names of the early Burmese Kings, partly legendary as given in the *Mahayazawin*, show a Hindu origin. The Buddhist religion, which has all but disappeared from the land of its birth, came across from India and was carried to Pagan, the ancient capital, in 1057 A. D. Fewer than ten thousand out of ten million Burmese have become Protestant Christians. Burmese economy and culture is essentially democratic; there is no caste.

The period of Burmese expansion from 1752 to 1760 was concurrent with the rise of British power in India. Thus, British India, along its eastern frontier, had as a neighbor a state powerful and ambitious, glorying in its recent victories in Siam and its defeat of the Chinese invasion of 1769.

The Three Wars With England

Burma's existence as an independent nation was extinguished as a result of the three Anglo-Burmese wars. The second war broke out five years before the mutiny of 1857. The Burmese were easily defeated;

Britain annexed Pegu province by proclamation on the 20th of December, 1852, and the war was over. England was thus in complete control of the maritime provinces of Burma, the conquest of which made her mistress of the southern coasts of Asia from the Persian Gulf to Bangkok. The last portion of independent Burma was incorporated under the terms of the Annexation Proclamation of January 1, 1886, as the result of the third war the previous year.

Burma has prospered under British control. A university has been established and richly endowed; education has made progress until, next to Japan, Burma proper has the highest percentage of literacy among the nations of Asia. Rural self-government acts have been passed and municipal governments have been established in the larger towns. Burmese have been admitted to the subordinate civil service and some have secured admission to the Indian Civil Service. More than 2,000 miles of meter gauge railway have been constructed, although there is no connection with the railways of India, China, or Siam. Highway construction has not, however, kept pace with the demand for better communication.

Within the compass of this study it is not possible to mention all the numerous changes in the administrative and legislative machinery of India and Burma. Of great significance, however, after the turn of the twentieth century, was the Declaration of August 21, 1917, given in the House of Commons by Montague, Secretary of State for India, which contained the magic words "responsible self-government for India." This Declaration, as incorporated in the preamble of the Government of India Act, 1919, has not been repealed, and thus it remains as a statement of the goal of British policy in India. Burma had good reason to believe that this Declaration held out to her as one of the provinces of India the prospects of sharing this increased measure of self-government. Quite the contrary actually occurred. The Montague-Chelmsford reforms exempted Burma from the operation of the new scheme in these words: "We therefore set aside the problem of Burma's political evolution for separate and future consideration."

Following the report of the Whyte Committee, which was formed to study the degree of franchise suitable for Burma, and the division of subjects into "reserved" and "transferred," Burma was constituted a Governor's Province in January, 1923. The period between 1920 and the visit of the Simon Commission in 1928-29 was generally quiet. The Burmese divided into three parties: the Independent Party, headed by Sir J. A. Maung Gyi who was a supporter of Government; the moderate Peoples Party led by U Ba Pe; and the extreme Nationalists who boycotted the Legislative Council and remained apart. The influence of the Indian National Congress was not marked.

Report for Separation

In December, 1928, the Burma Legislative Council voted to cooperate with the Simon Commission which had been appointed to conduct an inquiry into the workings of representative institutions in India and Burma. During the same month they adopted a report which said in part:

> "It will thus be seen that Burma's political connection with India cannot be justified on any grounds that count in the affairs of nations. We, therefore, strongly and unequivocally recommend that Burma be immediately separated from British India."

When the Simon Commission presented its report, this view was accepted. In this report and in a motion passed in the Burma Legislative Council on February 18, 1929, we find the first official declaration in favor of separation.

The Viceroy of India, Lord Irwin, favored "government by conference," and the first Indian Round Table Conference met in London during the winter of 1930-31 under the chairmanship of the Prime Minister, Ramsay MacDonald, with Lord Sankey as Deputy President. Among the eighty-nine delegates were four from Burma: U Aung Thin, U Ba Pe, U Ohn

Chine, and Sir Oscar de Glanville. The Conference recommended separation from India with no prejudice against constitutional advancement for Burma.

The next step in the separation of Burma from India was the calling of a special Burma Round Table Conference in London on November 27, 1931. The conference continued its meetings until January, 1932, under the chairmanship of Earl Peel, twice Secretary of State for India. Among the 24 delegates from Burma were two Indians and one Chinese, representing the special interests of these minority communities. As the Conference progressed it became apparent that nearly all the delegates were agreed on the principle of separation. The anti-separationists, under the leadership of Tharawaddy U Pu and U Chit Hlaing, wished to have Burma's connection with India retained until India received full Dominion status. The Burmese, who regard government officials as one of the "five evils," thought, without good reason, that the Government advocated separation as a means of keeping Burma in an inferior political position as compared with the new status proposed for India. Some feared Burma would be fixed in the position of a Crown Colony. Burmese Nationalists were slow to believe explicit pledges to the contrary given by the Home Government.

The People Oppose Separation

The Prime Minister, in addressing the Conference at its final plenary session, informed the delegates of the intention of the British Government to give the electorate in Burma the opportunity of expressing the views of the people of Burma on separation. This election was held in November, 1932, and a majority of candidates from the Anti-Separationist group were returned. When the Legislative Council met in Rangoon following the election, it adopted a long resolution which opposed both separation from India and permanent federation with India. This post-election *impasse* was accentuated by the disagreement over the choice of a President for the Legislative Council. The Burmese political leaders declined to serve and Sir Oscar de Glanville was made president. Sir Oscar soon became unpopular, and was succeeded by the nationalist leader, U Chit Hlaing, who continued in office until August, 1936.

It was announced in Parliament that, since the Burmese people themselves could not reach a clear decision on the question of separation, the future policy would be determined by His Majesty's Government.

This policy was made clear as a result of the labors of the Joint Committee of Parliament which met to consider the India White Paper; the Committee examined also the Burma White Paper. The distinguished Committee met under the chairmanship of Lord Linlithgow who has since succeeded Lord Willingdon as Viceroy of India. During its meetings from November, 1933 to June, 1934, this Committee assembled in its Report, Proceedings, Records, and Evidence the most complete mine of information yet available on constitutional progress in India and Burma.

The results of the Committee's study are seen in the Government of India Act, 1935, steered through Parliament by Sir Samuel Hoare, and containing the new constitution of Burma. The matter relating to Burma has been passed separately as the Government of Burma Act, 1935. The introductory statement makes it plain that Burma is henceforth to be governed as a unitary state quite independent of the government in New Delhi.

Influence of Japan

Taking the long view, one must regard the separation of Burma from India, and the increased degree of self-government received by both, as a part of the inevitable movement for self-expression by the peoples of Asia. Dr. Baw Maw, most vocal of Burma's Nationalists, is authority for the statement that politics in Burma had their origin in the period of the Russo-Japanese War. The influence of Japan and Siam upon Burma must not be overlooked. The Burmese and the Siamese are co-religionists; they have a common land frontier for 800 miles. Eighty years ago the two coun-

tries were very similar in their administration and development. Now the Burmese see Siam as a prosperous, independent country with an advanced judicial system and a budget position the envy of many a harassed state treasurer.

Despite some indifference and some lack of understanding, the relations between the British and the Burmese people have been cordial. The Burmese are a tolerant people, and the country has seen very little of the activities of the terrorists who have been so distressing in Bengal. Many of England's sons have given the best years of their lives in true service for Burma. It has been said paradoxically that "the first thing to know about India is that there is no India." The same can hardly be said of Burma. There the people have the common birthright of a beneficent religion, a language understood by all in Burma proper, and a share of common patriotism.

There is some apprehension concerning the future of the two important groups of immigrants in Burma after separation. The position of the Chinese, who blend into the Burmese picture more easily than do the Indians, will not be radically different from what it is today. There will be some readjustment for the 1,000,000 Indians who are in Burma as government servants, traders and merchants, or laborers. The Trade Agreement which comes into force between the two countries on separation provides that there shall be no restriction on Indian immigration into Burma for a period of three years; as a further safeguard against sudden disturbance of the extensive trade which has grown up across the Bay of Bengal, the Agreement decides that there shall be free trade between the two countries for a like period of time.

Furthermore, the Reserve Bank of India will manage the currency and carry on the banking business of Burma for a minimum period of three years. The class most damaging to Burma's economic interests are the money lenders whose operations have resulted in the transfer of much of the best agricultural land in Burma to alien landholders. More than half the land in lower Burma is now in the hands of non-agriculturalists. The net result has been to bring about a partial denationalization and Indianization of Burma. The Burmese hope to take measures which will preserve their country for the sons of the soil.

A New Epoch

April 1, 1937, is the date set by Proclamation for the inauguration of the new constitution in Burma. At that time, the Burmese start along the path leading to contentment under the Crown without the intervention of the Government of India.

The last session of the old Legislative Council was held on August 19, 1936, and the meeting of the new Senate and House of Representatives after April 1 will mark the beginning of a new epoch in Burma. The paramount authority will still be alien and non-Burma, considerable territory in the northern and eastern hill tracts will be set aside in "excluded areas" from control by the popularly elected House and Senate, but a very significant beginning in constitutional government is being made.

Much depends upon the new Governor of the separated Burma, Sir Archibald Douglas Cochrane. The Burmese look to him in the hope that he may be a Moses leading his people into the promised land of national liberty rather than a Metternich clinging to the old order.

The CULTURAL BAROMETER

By V. F. Calverton

SALONS, lecture halls, class rooms, writing clubs, cultural circles, cocktail parties, wherever intellectuals gather, are abuzz and agog today with talk and chatter about one person: Alexander Pushkin, the great Russian writer, whose centenary is being celebrated with so much literary flash and fanfare in Moscow, Paris, London, New York, and in a myriad smaller cities in divers parts of the western world. Peoples of all varieties and all tastes can do homage to Pushkin, with his Negro as well as Russian heritage, because he combined in himself and in his work such an amazing composite of contradictions. A romantic in temperament, he, nevertheless, wrote some of the most realistic literature of his day. A radical, whose *Ode to Liberty* is one of the best revolutionary poems in any language, he, nevertheless, was intimate with the Czar, married a woman who was the cynosure of the court, and consequently was respected by the top-dogs as well as the underdogs of the nation. Exiled while a youth by Czar Alexander I, he did not, like Dostoievsky, give up his radical opinions as he aged. On the contrary, when summoned to the presence of Czar Nicholas I, he told him forthrightly that he would have participated in the Decembrist conspiracy if he had been in St. Petersburg, with the result that almost all the rest of his life was spent under the severest surveillance by the government.

Notwithstanding all these difficulties, he succeeded in giving Russian literature a significance and a stature which it had lacked in the past. In fact, he became the father of modern Russian literature. It is with him that the great golden age of Russian literature begins. After Pushkin follow a host of writers, all good, many great, but none any greater than the master himself. All those writers were indebted in some way to Pushkin's work and influence, and that includes such a startling galaxy of figures: Gogol, Lermontov, Ostrovski, Goncharov, Necrasov, Dostoievsky, Chekhov, Tolstoi, Kuprin, Bunin, Andreyev, and Gorki.

But Pushkin was not only the founder of modern Russian literature; he was also, indirectly, the inspiration of much of modern Russian music and opera. Mussorgski, Glinka, and Tschaikowski were indebted to him for the themes of "Boris Godunov," "Russlan," and "Ludmilla," "Eugen Onegin," and "The Queen of Spades." It was the turbulent intensity, the eloquent wonder and magic of Pushkin's writing that lit the torch of inspiration in Mussorgski, Glinka, and Tschaikowski and made it possible for them to compose some of their best works. There was music as well as poetry living in Pushkin's writing, and it was the music of it which gave it such an appeal to Russian composers. Even his prose was replete with music as well as meaning. No one expressed that better than Dostoievsky in the oration which he delivered at the time of Pushkin's burial.

Russia in the nineteenth century, before and after Pushkin, was intellectually and scientifically backward; artistically, however, it was one of the most advanced and challenging of modern nations. In music, in the dance, in the theatre, and in literature, its contributions revealed a national genius of a rare and superlative order. It is doubtful if, in the last analysis, any other European literature in the nineteenth century can be said to have equalled the Russian, which began with Pushkin and ended with Tolstoi and Gorki.

All this changed, however, in 1917, with the downfall of the Czarist empire and the accession of the Bolsheviks to power. Since that time new changes have come across the

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ALEXANDER PUSHKIN

face of Russia, economic and political changes which have written themselves into the lineaments of the culture.

This bring us to a consideration which is fundamental to the whole problem of cultural origins and influences.

Russian culture today, and that includes the sciences as well as the arts, has been so completely revamped, redirected, and reorganized that it doesn't seem to belong to the same nation. Its whole outlook, its whole emphasis, its whole spirit is different. Very little of the old is recognizable in the new.

Russian Culture: Old and New

The old Russian culture, dominant in the days of Pushkin, was anti-scientific. "Science is a bar of gold made by a charlatan alchemist." Tolstoi wrote, condensing in a sentence the old Russian attitude toward science. The new Russian culture, on the other hand, converts science into a deity. The old Russian culture, in its literary and philosophic forms, was pessimistic and futilitarian; the new culture is optimistic and vital with aspiration.

The difference between the two cultures can be readily recognized by a brief consideration of certain of the authors representative of each of them. No Russian author represented the old Russian culture better than Goncharov in his novel *Oblomov*, with its philosophy of inaction and indolence. "Oblomov," as Goncharov described him, was "the disenchanted man who had lost the power to love, [who] had succeeded in escaping life," and had lulled "himself to sleep amid the problems and the stern demands of duty and destiny." Oblomov was the old Russian intelligentsia impaled in fiction. It was an attitude of mind which obsessed a literature and consumed a people. In *Rudin*, Turgenev's famous novel, we discover another expression of that same attitude. Rudin was a charming conversationalist, eager to argue, but afraid to act. In Mereshkovski's novel *December the Fourteenth* the revolutionists talk like philosophers but act like adolescents. In Bunin's *The Village* the same dull, dead, achieveless existence is manifest. In all Tolstoi's and Dostoievski's novels, in Gogol, in Sologub, in Andreyev, there is the same penetrating consuming morbidity of tone and sentiment. Gorki epitomized it best of all when he wrote, describing the Russia of his youth, that it was marked by "a mad inanity of everyday facts"—so madly inane "that one may kill a human being in the spirit of vengeance or in a state of violent passion just as easily and frequently as from deeply idealistic motives . . . Dostoievski's Raskolnikoff (for instance) is a true type of Russian."

In the new Russian culture, as exemplified in literature as well as the other arts, that spirit no longer lives. In the novels of contemporary Russian authors: Gladkov, Pilniak, Romanov, Ivanov, Seyfulina, Panferov, morbidity has been superseded by optimism. Introspection has given way to action. The quiet religious monotony of life which in the nineteenth century Lyeskov depicted in his *Cathedral Folk* has no place in the contemporary agrarian novels of Panferov or Seyfulina, where the tempo of existence, since the Five-Year Plan, has been accelerated and intensified beyond that in most industrial countries today. This change has transformed poems, passions, peoples. The peasants of Lyeskov, Chekhov, and Bunin surrendered to their destiny; the peasants of contemporary Russian novelists set out to make their destiny, carving it anew with energies born of the impetus of the new régime.

This change from an introspective to an active literature has meant a change in style as well as substance. The style of Dostoievsky, Tolstoi, Andreyev, with its eloquent circumlocutions, parenthetic appendages, and slow

detail, is no longer imitated or practised. It is a tradition that is now effete. The style of the new school is a dynamic style, a staccato style, hurried and spirited, racy and exuberant. It is a style that plunges instead of ploughs its way into its material.

I have dealt in such detail with this contrast of cultures because I want to show how within a single nation two cultures, so disparate, can develop in so short a time, the one superseding and burying the other. Let us examine the causes underlying the change. The pessimistic futilitarian aspect of the old Russian culture was due to the unprogressive nature of its economy, with its feudal restrictions and retardations. It was *changelessness* rather than change that dominated it. What altered that condition after the Bolshevik revolution was the introduction of machinery into Russia. From that time on, change became the new psychological as well as economic determinant. Whereas in Czarist Russia industry was relatively alien, in Bolshevik Russia industry became the foundation of the régime.

It was this belief in change, instead of changelessness, that gave optimism to the new Russian culture, endowing it with new faiths and aspirations, at the same time shifting its interest from introspection to action.

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ANDRE GIDE

Bureaucratization of Culture

But all this change has been conditioned by the nature of the new régime which evolved in Soviet Russia. For a time, before Stalin converted the Communist Party into a bureaucratic instrument subject to his will, cultural life in Russia enjoyed a freedom of a most rare and exciting variety. After Lenin's death, however, and Stalin's banishment of Trotsky, an era of cultural as well as political persecution followed, which continues down to today. This development has been most unfortunate, because it has retarded the spontaneous development of an autonomous and authentic culture in the Soviet Union.

In literature, for example, an organization called the Revolutionary Association of Proletarian Writers (known more familiarly in the Soviet Union and elsewhere as RAAP) utilized its influence, derived from Stalin, to attack and suppress all writing and all writers that conflict with the dictates of the Stalin régime. Pilniak, for example, was forced to make public acknowledgment of his error in writing such fictions as the *Tale of an Unextinguished Moon* and *Mahogany*, Babel was driven to silence, Polonsky, the critic, was driven into isolation and finally to an early death, Romanov was forced to bow and cringe and finally to revise his work in order to escape further penalties and persecution—and so on. As Louis Fisher, a defender of the Stalin régime, put it: "If RAAP frowned on a writer his career was crippled . . . it drove brilliant literary figures into silence . . . [its] only criterion was politics, and if the novelist deviated a hair's-breadth from the orthodox dotted line, they stamped him a 'counter-revolutionary'—which finished him completely."

Several years ago, RAAP was dissolved, and ever since Louis Fisher and others have written apostrophes about the new freedoms guaranteed under the prevailing régime. Unfortunately, those freedoms are not so manifest as their advocates would make us believe.

Not more than a few months ago Demian Byedny wrote a new text for Borodin's comic opera *Bogatyri*, which met with the prompt and forthright condemnation of the Soviet Government. The newspaper *Pravda*, in which government opinion is officially voiced, took Byedny to task for having distorted Russian

history and falsified the meaning of the opera. The Committee of Peoples Commissars suppressed the opera, calling it "an example not only of an anti-Marxist, but also of a light minded attitude toward history." sharply criticized Byedny, who has been a revolutionist since 1905 and whose works have been most popular throughout the Soviet Union, and condemned the Kamerny theatre for having staged the production. In *Izvestia*, the second leading Soviet newspaper, Tairov, the director of the production, which has been in active preparation for more than a year and upon which no expense had been spared, was subjected to a most bitter and humiliating attack.

What was wrong with Byedny's version of the opera, according to *Pravda*, was the fact that it exalted the Robin Hoods of feudal Russia into romantic revolutionary characters. Besides, Byedny satirized the historic episode when Vladimir introduced Christianity into Russia.

Eager to glorify all aspects of Russian history in the past, even to the point of exalting certain Czars, Stalin, in order to identify himself as intimately as possible with the Russian heritage, assails everything today that tends to debunk or muckrake the Russian national tradition.

Another illustration of a somewhat similar situation was the denunciation and suppression of *Lady Macbeth*. This opera, written by Dimitri Shostakovitch, the leading Soviet composer, represents an even more puzzling phenomenon. *Pravda* condemned *Lady Macbeth* because it sacrificed its opportunity to inspire the masses by striving for a form of "cheap originality," and also because "'love' is smeared all over the opera in a most vulgar form." (Incidentally, Shostakovitch's work has been received far less cordially in the United States than that of the Soviet composer, Tikhon Khrennikoff, whose first symphony, a breath-taking affair with almost Wagnerian climaxes, received last month most exciting laudations in the New York press.) As Edna Margolin points out in an article called "Pravda Calls the Tune," what is surprising is not that *Pravda* denounced *Lady Macbeth* and was instrumental in having it suppressed, but that two years before *Pravda* "considered the opera an outstanding achievement."

Again, politics dictated the judgments involved, which is always a tragedy in all matters cultural and esthetic.

Andre Gide Speaks

In *Return from the U. S. S. R.*, the latest book of André Gide, one of France's leading writers, we are confronted with a number of observations and conclusions which illuminate something of the sad state of affairs which is conspicuous in Russian cultural life today. Gide gives a very interesting picture of a hotel conversation between a Russian painter and himself:

> I said to him, "You gag those who refuse to abase, or at least to humble, their art . . . But the culture you pretend to serve, glorify, and defend constitutes your shame!" The painter immediately retorted that my thoughts were bourgeois, and assured me that Marxism could produce creative art. He began to shout as if mechanically repeating a lesson learned by rote. A short while afterward he came into my room and said in a lower tone: "Damn it. I know only too well that you are right. But what the hell! Everybody was listening to us down there and I'm opening an exhibition of my works soon."

Later on, Gide prepared a talk for a group of writers. "I had been in Russia only seven days and was eager to pour out my heart. I submitted a manuscript copy of my talk to several people, only to be informed that it was inadmissible, both the line of thought and the tone were just impossible. Everything I wanted to say would be found extremely unwelcome."

Gide deals also with the idolization of Stalin which has developed, pointing out how similar it is to the apotheosis of Hitler and Mussolini in Germany and Italy, and finally stressing how devitalizing this has proved to the spirit of Russian culture. Instead of teaching men to think for themselves, which should be the aim of any progressive culture, Stalinist culture, Gide maintains, teaches all men "what they may know and think, and how much they must believe. . . . Things have come to such a pass that when you have spoken to one Russian, you've spoken to all the Russians."

The result is that not originality but "banality emerges as the ideal." Russian culture, cramped by the exigencies of orthodoxy, cannot be itself, cannot free itself of the spiritual fetters which hold it down, crippling and paralyzing its best energies and potencies.

Romain Rolland Answers

French opinion has been very much stirred up by Gide's book (which will be published in the United States in the very near future),

and Romain Rolland, the famous French author of *Jean Christophe*, replies to Gide in no uncertain terms. Rolland declares that "not Gide, nor anything can hold up the movement of history or the development of the Soviet Union." Rolland then goes on to reply to Gide's condemnation of Stalin as a Russian Fuehrer, asserting that "Stalin is an example of the modesty of the Bolsheviks."

How Rolland can make such a statement in the light of the fact that Russian cities are replete with pictures of Stalin in every conspicuous place, and that in every parade or pageantry of display, the face of Stalin looms up on banner, flag, and platform, is difficult to say. More than that, one has only to turn to the cultural field, or the scientific, to garner further proofs of that idolatry. As Jerome Rosenthal has just recently cited in an article on Soviet philosophy, Colman, one of the leading philosophers in the Soviet Union today, asserted not long ago that:

> In the works of Comrade Stalin, who continues the task of Lenin, we find those orientations which enable us to find our way at a given stage of thought in the prevailing scientific tendencies. . . . It is our party and our *leader Stalin who directs from the position and in the spirit of Lenin, all our sciences, including the physical sciences.* (Italics mine.)

All this, it is important to point out in conclusion, is a product of Stalin's monolithic theory of state (he calls it "monolithic party," but in reality it amounts to a monolithic state), which has as its main purpose the production of a yes-man psychology with yes-men bowing and scraping the earth in obeisance before "the party line," afraid to think or conclude without first receiving instructions as to what to think and what to conclude.

This situation becomes all the more deplorable when we realize that, with the exception of the United States, the Soviet Union is the only nation in the modern world which has taken a national interest in the arts, and has revealed by conferences, congresses, and subsidies, its concern for cultural matters and the development of a cultural life of an inspiring and progressive order. What the Stalinist dictatorship has not learned, however, is that conferences, congresses, subsidies, or nothing else, can build a cultural life, when the rights and freedoms necessary to dynamic cultural expression are withheld and forbidden.

ROMAIN ROLLAND

Cultural Dictatorship in Germany

Not more than a month or two ago, the Nazi press adopted an attitude toward art which was far more reprehensible than any which has emerged in the Soviet Union, declaring that good art had to be National Socialist art or it is no good at all.

Following this declaration, the Nazis explicitly stated that art criticism in the future would be forbidden as interfering with the true appreciation of art values as envisioned by the Nazi state. Henceforth, the *Party* will decide what is good art and what is bad, which is about equivalent to saying, in American terms, that whatever Jim Farley thinks is good art is good, the opinions of art critics notwithstanding. Hans Johst, president of the Reich Chamber of Literature, in consequence of that decision, has made it unequivocally clear that henceforth the German people will be compelled to read the books of National Socialist authors.

To show how effective this program has proved, even though in the past it was only applied unofficially, we need only look at the list of books which have been best-sellers in Germany since 1933: Adolf Hitler's *Mein*

IVAN BUNIN

Kampf has sold 2,500,000 copies; Alfred Rosenberg's *Mythos of the Twentieth Century* has sold over 500,000 copies; Joseph Goebbels' *From Kaiserhof to Reich Chancellery* has sold over 210,000 copies; Theodor Fritsch's *Handbook of the Jewish Question* has sold over 215,000 copies, and a book of photographs called *Hitler as Nobody Knows Him* has sold over 270,000 copies.

Culture Under the Italian Dictatorship

In Italy, to revert to another dictatorship, we find no such interest in books. In Soviet Russia, the entire populace is omnivorously fascinated by books; publishing houses cannot keep up with the demands of the public. In Germany, as we have seen, there is also a great concern for books, although mainly for books revolving about the Nazi régime. So consuming has this demand for exclusively Nazi books become, that German book-dealers have become nervous and irritable about the situation. During the German Book Week held recently, some of the more courageous book-dealers in Leipzig hazarded the condemnation of the Government by having the donkeys from the Leipzig Zoo led through the street, placarded as follows:

"We are donkeys, we want to remain donkeys,

"We buy NO Books!"

In Italy, however, the book-sellers do not reveal such concern. The Mussolini régime has revealed no particular interest in books, with the result that in 1935, for example, only 4300 titles of books, exclusive of text-books, were published. They constituted 1000 novels; 1300 books dealing with juridical, economic, and political subjects; 680 with medicine; 830 with history, and 390 with philosophy.

In that connection, it is illuminating to note that neither Italy nor Germany has produced any literature of national or international consequence since the inception of their Fascist dictatorships. Germany, which in the twenties, produced the best post-war literature in Europe, is today barren of almost all its significant authors, who for a variety of reasons have been driven into exile or imprisoned in concentration camps. In Italy a similar situation exists. The leading Italian as well as German authors are, for the most part, refugees from their native lands, and as such write their books and edit their magazines in foreign countries, where they can find that intellectual freedom which is indispensable to the production of significant art.

The Realm of Science

By the Light of a Vitamin

AN EXHIBITION of black magic was awarded a silver medal at a meeting of the American Medical Association last year, an event that was of great significance to human nutrition. The setting is both picturesque and dramatic. One sees a row of flasks, each filled with a water-clear solution, but there is nothing extraordinary about this scene. Suddenly, however, a lamp throws upon the flasks the longer ultraviolet rays of the spectrum, rays that are invisible to the eye. Under the influence of this "black light," the contents of the flasks sparkle and gleam with a golden greenish fluorescence, so bright that the awed spectators can read by it. For the first time in history, they are able to read by the light of a vitamin.

Responsible for this fluorescence is a food substance known as lactoflavin, a water-soluble pigment belonging to the vitamin B family. It may be present in the solution in the flasks in the ratio of only one part in 20 million, but it is so potent that it easily produces this weird fluorescence, and in almost infinitesimal amounts it can influence the growth of experimental animals and of developing children.

Before this ingenious new method of vitamin detection was devised and perfected, the presence of the flavins and other vitamins in foods could be demonstrated only by means of long and troublesome tests on laboratory animals, usually white rats. In these feeding experiments, called "bioassays," the animals are given rations known to be free from the particular vitamin under investigation. Their reactions when placed on other foods indicate the presence or absence of the vitamin and thus give a qualitative and, more rarely, a quantitative measurement of it. By means of the black light process, the exact amount of lactoflavin in a food can be determined, thus obviating the need for animal tests.

When lactoflavin is entirely removed from diets that are provided with all other known dietary factors, there results a complete cessation of growth, followed by emaciation, and ultimately by death. Such conditions occur, of course, only in experimental diets, since lactoflavin is found in many common foods and is a usual component of the average diet.

The best and most practical source of lactoflavin is milk, the vitamin being a natural constituent of the whey. It is also present in eggs, liver, kidney, barley, yeast, and spinach. As little as two thousandths of a milligram, or about one fifteen-millionth of an ounce of lactoflavin, is sufficient to influence growth when given in the daily diet. A quart of milk contains a relatively large amount of this vitamin in free form, thus confirming the well-established scientific maxim that every growing child, every expectant and nursing mother, and every malnourished person should consume daily at least a quart of milk in some form, or its equivalent in other dairy products, and that every adult needs at least a pint of milk a day. These quantities of milk provide an abundance of the indispensable minerals, calcium and phosphorus, along with vitamins and other nutritional substances.

Lactoflavin has been shown to be very important in various bodily processes. It aids the cells in their utilization of fuel for energy, by helping to oxidize sugars; it assists the cells to breathe, through a tie-up with other chemical substances; and there is evidence to show that lactoflavin may be significant in the cure and prevention of the disease, pellagra, which is still widespread in certain parts of this country. Milk, yeast, liver, and other foods rich in this vitamin have been found to be particularly successful in treating persons afflicted with pellagra.

This vitally necessary factor in milk and certain other foods has been suspected for a number of years, although only recently has its presence been determined exactly, and the vitamin isolated in pure form. Milk, of course, contains other important vitamins that promote growth and good health, such as vitamin A, and it has long been recognized as an excellent source of the growth-stimulating

vitamin G, of which lactoflavin may actually be a part. This vitamin G is one of the twins, or possibly quintuplets, of the first of these accessory food factors to be discovered, and originally known as vitamin B. Instead of six vitamins, there are now ten or a dozen, most of those recently explored having been separated from the vitamin B complex.

Although numerous investigators in this country and abroad, particularly in Germany and Switzerland, have been working on lactoflavin during the past three years, the most practical methods for obtaining the pure substance and the interesting process for detecting its presence by means of black light were developed in the United States by two eminent biochemists, Drs. G. C. Supplee and Stefan Ansbacher of the research laboratories of the Borden Company at Bainbridge, N. Y. As a culmination of some thirteen years of effort, these investigators have been able to prepare a milk vitamin concentrate which yields 250 times more lactoflavin than can be obtained from any other source.

The role played by milk in the discovery of the vitamins and in the development of the new science of nutrition has been a surprising and an interesting one. As early as 1881 a German investigator named Lunin observed that laboratory animals lived for several months on a diet of whole milk, but succumbed quickly when fed the purified constituents of milk which were then recognized. As a result of this work, Lunin suggested that milk must contain a nutritional substance as yet unknown, but indispensable to nutrition.

This clue went unheeded, although the observations were confirmed by other scientists. In 1906 a famous English scientist, Dr. F. Gowland Hopkins, noticed that experimental animals failed to thrive on purified diets of casein (a milk protein), lard, starch, cane sugar, and mineral salts, but that the addition of small amounts of milk converted this unsatisfactory fare into a satisfactory one. Hopkins, like Lunin, decided that milk possessed some vital substance.

This clue did not go unheeded for long, for in 1913 announcements came almost simultaneously from two American laboratories of the discovery in butter fat of a food factor, which later came to be known as vitamin A. This discovery, made independently by Osborne and Mendel, and by McCollum and Davis, was followed by another in 1915 by the last two named scientists, who reported that they had found a new water-soluble vitamin in milk. This was called vitamin B for a number of years, but eventually this factor was shown to consist of two parts, which were subsequently labelled vitamin B_1, or B, and vitamin B_2, or G. Lactoflavin was thought at first to be identical with vitamin G, but it is now classed merely as one member of what is apparently a fairly numerous family of vitamins.

Although vitamins as drugs and chemicals may have a certain usefulness in the hands of those skilled in their use, the best place for the average consumer to get his vitamins is from the dairy, the grocery store, and the garden, and not in the drugstore. When milk and dairy products, fruits, eggs, and green or yellow vegetables are the basis of the daily diet, these protective foods will furnish all of the vitamins needed by the average person. The discovery and isolation of the various chemical substances now loosely known as vitamins are matters of great scientific concern and, as in the case of lactoflavin, may present matters of considerable general interest, but the man in the street who seeks substantial nourishment can read about them without worrying about them. So long as he partakes of milk and the other protective foods, he will never suffer from any deficiency or lack of these life-giving substances.

JAMES A. TOBEY

The Longest Eclipse

THE longest eclipse of the sun in 1200 years will begin out over the Pacific Ocean on June 9. Its path will traverse 5000 miles of ocean, crossing the International Date line and ending at sunset on the mainland of Peru on June 8. At the point of maximum duration, it will last seven minutes and four seconds.

The average eclipse lasts three minutes. Sometimes one is only a minute long. Consequently, a seven-minute eclipse presents unusual opportunities for scientific study.

But when astronomers began to study the path of this eclipse they were disappointed and disheartened. Its 5000 miles lay entirely over the Pacific Ocean. No useful observations could be made from the mainland of Peru since the sun will be setting when the eclipse occurs there. Further study of the track, however, revived their hopes. By good luck, it crosses two tiny coral atolls, two little isles in the group known as the Phoenix

Islands, just south of the equator, about 1800 miles southwest of the Hawaiian Islands and 3000 miles northeast of Australia.

The two isles are Enderbury Island, two and a half miles long and one mile wide, and Canton Island, nine miles long and four miles wide. Both have lagoons in the center and rise about 30 feet above sea level.

One of the largest and most completely equipped expeditions ever organized to study a total eclipse will journey to the Phoenix Islands. Upon its arrival, it will choose which of the two islands to use as its headquarters. The expedition is being organized by the National Geographic Society, the U. S. Navy, the National Bureau of Standards, and the astronomical observatories of several American Universities. Its scientific leader will be Dr. S. A. Mitchell, director of the Leander McCormick Observatory of the University of Virginia. Members will include Dr. Paul A. McNally, director of Georgetown College Observatory, Dr. Heber D. Curtis, director of the University of Michigan Observatory, Dr. Floyd K. Richtmyer, physicist of Cornell University, and Dr. Irvine C. Gardner of the National Bureau of Standards.

An eclipse of the sun is one of Nature's most impressive dramas. The whole visible earth and sky form the setting for the spectacle, while the actors are the moon and the sun.

"When the sun is eclipsed," Sir Norman Lockyear wrote many years ago, "new glories in it are rendered visible. One seems in a new world, filled with awful sights and strange forebodings."

As is well known, an eclipse of the sun is caused by the moon passing between us and the sun. The moon casts a cone-shaped shadow which touches the earth along a narrow track. Within this track the eclipse is total.

The eclipse begins as the disk of the moon begins to blot the sun from sight. Slowly the dark disk of the moon moves across the sun until only a narrow crescent of sun remains. The landscape begins to take on an unusual and almost terrifying appearance. Two or three minutes before the eclipse becomes total, the moon's shadow comes sweeping over the landscape from the west with awe-inspiring swiftness.

Suddenly the eclipse becomes total. The whole sky is dark, and the brighter stars appear. Around the disk of the moon can be seen a rim of red fire; this is the chromosphere of the sun. Great tongues of crimson fire, the solar prominences, can be seen extending out from the chromosphere. Surrounding the fiery chromosphere is a great silvery halo, the corona of the sun.

Astronomers do not journey half way around the world to see an eclipse merely because it is spectacular. An eclipse possesses great scientific value. The exact time of a solar eclipse and the exact track of the moon's shadow is an excellent check on theories of the moon's motions. Photographs and spectroscopic observations of the corona are possible only during a total eclipse. In addition, direct photography of the solar prominences and spectroscopic observations of the reversing layer, the layer of gases between the sun's visible surface or photosphere and the chromosphere, are possible only during a total eclipse. The spectrum of this reversing layer is known to astronomers as the "flash spectrum."

The present expedition to the Phoenix Islands plans to devote special attention to the corona. The corona is still one of the mysteries of the universe. No one has yet identified the lines of its spectrum and so its chemical composition is still unknown. Photographs will be made of the flash spectrum. Special cameras will be used to photograph the eclipse in color, while observers from the U. S. Naval Observatory in the party will devote their attention to the exact timing of the event.

The eclipse will be approximately four minutes and eight seconds long in the Phoenix Islands. The point where maximum duration occurs is, unfortunately, in the open ocean, 1500 miles from the nearest land.

Stay-at-homes in America will have to wait patiently for their next view of a total eclipse. The next four eclipses of the sun, visible in the United States, will occur on July 9, 1945, June 30, 1954, October 2, 1959, and July 20, 1963. The first three all occur at or near sunset and so will be unsuitable for scientific observation. The path of the 1963 eclipse will be much like that of the eclipse of August 31, 1932. It will sweep down from Hudson Bay, crossing the state of Maine near Belfast.

DAVID DIETZ

Highlights of the Law

EVERY man in the street is now a philosopher, and the favorite theme for disquisition and disputation on every Areopagus throughout the land concerns the several aspects, qualities, and virtues of the seven ages of man, particularly the first three and the last three ages. The age in the middle seems to belong to the forgotten man for whom life is about to begin at forty and who in the current discussions is left to shift for himself.

De Senectute

Senators are explaining that, as the title implies, a man must be an elder citizen of the Republic in order to qualify at all under the Constitution to wear the purple-edged toga. Retirement benefits for Federal judges, however, while carrying infinitely greater news value, are in fact part of the general movement to provide for superannuated and disabled veterans of the civil services in order first, to insure continuity in these services by attracting responsible career employees in place of light-footed opportunists, and, second, to promote efficiency by recruiting young people who, coming in at the bottom of the ladder, can look forward to fairly regular advancement in accordance with the increase in their value to the service. In the wider civilian field, plans are complete for inaugurating on January 1 the system of old-age benefits under the Social Security Board, with over twenty-two million applications for benefit accounts already on file.

Perhaps because of the irascible reaction of affected gentlemen whenever any suggestion slips out that the generalizations propounded by the philosophers might be broad enough to include any specific individual among them, the battle has raged most volubly along the old-age front, and even President Johnson's servant, who must be getting along in life by now, is revitalized and delighted by his new walking stick. It steals the limelight from the youth movement, the accomplishments of the C.C.C. boys in the floods, the militarization of children abroad and even the child marriages which have recently surprised the nation.

Accent on Youth

The trouble with this country, according to Howard Brubaker, is that our judges are too old and our brides too young. The great hue and cry that arose as a result of the publicity given the marriage of a 22-year-old Tennessee man to a 9-year-old cherub began to decline when a bill was introduced in the Tennessee legislature to fix the marriageable age for girls at not less than sixteen years. It reached its low point on Washington's birthday, when the following Associated Press dispatch from Birmingham, Alabama, was published:

> Blonde, 13-year-old Mrs. Mary Keller smiled up from a bed in her two-room rural home today "happy as can be" over the fact that she was twice a mother.
>
> Her husband, Truman Keller, 26, said he was happy, too, just as when their first child came 21 months ago—when Mary was 11. The "new addition," a 6¼-pound boy, was born February 15.

Obviously, the reform movement found this happy, blessed event slightly embarrassing.

As a result perhaps the pure sentimentalists among the supporters of the movement will retire for a while to permit a comprehensive study of a condition which is understood to be normal in Mother India but which anyone with a grain of sense has always believed couldn't obtain here. These supporters will be needed afterward to mobilize public sentiment behind a scientific plan. Meanwhile, the factors to be weighed are many, including elements of psychology, climate, physiology, race, and economics. Laws which are unscientific or which constitute an unpalatable break with tradition or custom may cause more damage than existed before. The frequent ensuing evasions are likely to be widely tolerated by those who are entrusted with the enforcement of the law. No matter what minimum age is selected, the law which sanctions it is arbitrary as far as concerns the indi-

viduals who will receive the impact of its operation; it furnishes the marriage chamber with a Procrustean bed. If this must be so, all the implications of reasonableness must be explored in arriving at the arbitrary rule.

In the excitement of a sudden agitation sight is likely to be lost of many latent considerations. In pouring out our feelings in behalf of child brides, for example, how little thought is wasted on the child groom. Perhaps a child groom is just a groom after all, a necessary inconvenience at the wedding—and yet the question should be raised whether young boys are capable of or should be permitted to arrogate to themselves the responsibilities, both personal and social, that accompany the state of matrimony. All the world loves a lover, but society and the laws of nature make certain demands on husbands, whether they are lovers or mere sources of alimony payments. Can married youngsters properly prepare themselves to assume a place in the world of men? "He that hath wife and children," said an old philosopher, Lord Bacon, "hath given hostages to fortune; for they are impediments to great enterprises, either of virtue or mischief." Thus child marriages may help solve the juvenile delinquency problem, but will not encourage the development of great scientists, educators, and judges.

Nonage at the Common Law

We now look with astonishment at some of the crudities in the law brought to these shores by Puritans, Pilgrims, and Cavaliers; thus, although a little fellow could be solemnly hanged for murder before he had dropped his milk teeth, he was conclusively presumed to be incapable of committing capital sexual aggressions until he was 12, and at the age of 14 he was considered ripe for marriage and fatherhood; and at the age of 12 a young woman could start filling her husband's pipe and fetching his slippers. This, however, is still good law in England and in about a dozen American jurisdictions, the greater part of the others having raised the minimum for women to 16 years.

The common law drew, and still draws, a sharp distinction between these human rights and the concomitant property rights. The capable father of 14 years, who could change his wailing offspring in two minutes flat, was not vouchsafed control of his own property until he had acquired seven more years of experience in worldly affairs, while the property of girls under 18 was the concern of Chancery. Indeed the origin of lawful child marriages might perhaps be traced to the exigencies of families encumbered with entailed property, the enjoyment of which depended upon another birth in the family, and therefore the sooner the better.

Countries which fall under the influence of the Roman law, or of its modern recapitulation in the law of France, are subject to a different régime, for in these countries girls must be 15 and boys 18 to marry, even with the consent of parents or guardians; without such consent the weary swains and lassies must wait for their twenty-fifth birthdays to bring them civil freedom. Thus the custom of a little village in Latium, which endowed the father with full powers of life and death over the members of his family and his slaves—the famous *patria potestas*—goes sounding down the ages.

From Roosevelt to Roosevelt

Although the Act establishing the Federal Children's Bureau was eventually signed by President Taft, it is regarded as due to the efforts of the administration of Theodore Roosevelt, who insisted that the adequate protection of the health and welfare of mothers and children was a basic responsibility of Government. This little known bureau has struggled along for a quarter of a century, expanding its activities when opportunity offered, or contracting them while quietly and steadily working at its primary objective, which is a unified approach to the multiple problems of childhood, until now, when on April 9 it is observing its twenty-fifth birthday (thus reaching its majority under any system of law), it not only can look back on a long series of splendid, if unheralded, accomplishments, but can face with confidence the immense tasks entrusted to it by the present Administration. During the World War it had a foretaste of what may become in the near future a prominent feature of its activities, when it administered the first Federal child labor law. At present only eight States prohibit the industrial employment of children under 16, but the child labor amendment to the Constitution requires the ratification of only ten or eleven more States. With practically all State legislatures in session this winter, the prospects of final ratification appear more favorable.

Another experiment was the Federal Maternity and Infancy Act of 1924, which provided for cooperation with the States in maternal and child-hygiene work. Although President Hoover's sympathy with the needs of American childhood is well known, and is emphasized by his endorsement of the "Children's Charter," which is a formal statement of principles and objectives sponsored by child welfare exponents, the Maternity and Infancy Act was allowed to become inoperative in 1929. The work of the Children's Bureau was again confined to research, demonstration work and distribution of information.

Uncle Sam's Best Seller

The information disseminated is of a practical character. The famous Children's Bureau Publication No. 8, *Infant Care*, is still rated by the Government Printing Office as the most popular of all the hundreds of publications issued by the Washington Government, more than ten million copies having been sold to date. Nowadays whenever a favorite daughter is about to present her first child to the world, it appears separately to each doting aunt, bachelor uncle, and more experienced matronly friend to be a good idea to secure one of these brochures for her, and as the young lady has probably already thought of it herself, there is always a supply on hand sufficient to cover a case of quintuplets.

Although the Walsh-Healy Act, which provides for uniform protection of young persons employed by firms engaged in carrying out contracts with the Federal Government, and the National Youth Administration, engaged in junior-placement and student-aid work, relate to child welfare work, the Bureau is not directly concerned with their administration, although its technical services were used in formulating these provisions. On the other hand, the Bureau is active in the juvenile court movement, and compiles annual statistics covering an ever increasing area; moreover, the statistics reflect the growing success of its work in the field of juvenile delinquency.

Social Security for Children

The Children's Bureau is now responsible for the administration of three important parts of the Social Security Act, namely, the provisions relating to maternal and child-health services, services for crippled children, and child-welfare services. It also closely cooperates with the Social Security Board, entrusted with the administration of aid to dependent children, and with the United States Public Health Service, which administers the Social Security Act provisions extending Federal aid and cooperation with the States for general public-health work. For the first time in all our history, every American State is now reporting actual cooperation with the Federal initiative in these fields this year.

Child Welfare Laws in Latin America

A study of child welfare in Latin America made by the Children's Bureau for the Pan American Conference at Buenos Aires discloses that the new National Constitutions enacted in 1933 and 1934 in Brazil, Cuba, Peru and Uruguay all express the duty of the State toward the younger generation and prescribe new and more generous child-welfare measures, and several countries have codified child-welfare laws recently, subsequently coordinating the work under one national agency. Brazil enacted a Children's Code in 1927, followed by Costa Rica in 1932 and Uruguay in 1934, and in Chile and other countries codes are in preparation. In several countries a renewal of activity in the enforcement of laws already on the books has brought child care and juvenile delinquency problems to the fore. Mexico's Division of Child Hygiene has established health centers for mothers and children in many cities at which examinations, bacteriological tests, simple treatment and dental care are given free of charge. Its Division of Rural Hygiene, partly with the assistance of the Rockefeller Foundation, offers similar services in the country districts.

There may still be a few who advocate amendment of the law which says "Suffer little children to come unto Me" by inserting a comma after the first word; yet even those whose material interests might be advanced by such a course should heed another sage remark of the same Bacon who regarded children as impediments, wherein he says "Yet it were great reason that those who have children should have greatest care of future times, unto which they know they must transmit their pledges."

GUERRA EVERETT

On the Religious Horizon

MEXICO has been a focal point of interest in the field of religion during the past month. Government officials, alarmed by threatened mass violence over the Veracruz Church-State issue, have clamped a censorship on news from the district.

The crisis arose on February 7, when Government agents surprised 73 persons in a clandestine Mass in Orizaba. Two persons, an unidentified boy and a 14-year-old girl, Leonor Sanchez, were killed in the "raid." Crowds of aroused Catholics occupied the barred churches and rang the bells. President Lazaro Cardenas sent Federal troops to preserve order. Attempts to eject the throngs proving impractical, they were allowed to remain, by order of Governor Miguel Aleman. Sunday, February 14, saw Catholics and Protestants occupying their churches in prayer without molestation.

The growing demands for the reopening of Mexican Churches is evidenced by the fact that during January 150,000 Catholic citizens of the State of Veracruz signed a petition for the restoration of religious worship. Chief among the opponents of granting this type of request is the anti-religious Confederation of Workers of Mexico (C.T.M.). They parade in anti-church demonstrations, despite civil and military orders. Catholic members of the C.T.M. are being forced to participate in these demonstrations on penalty of being expelled from the powerful union.

The outcome of this situation is difficult to predict. It would seem possible, to say the least, that the churches might be turned over to local groups of Catholics by the Federal Finance Minister, according to regular law. It is still prohibited to have more than one priest for each 100,000 of the population, and to date no priests have been registered.

The Rt. Rev. Frank W. Creighton, former Episcopal Missionary Bishop of Mexico, said recently that the work of the Episcopal Church in Mexico has not been affected nearly as much as that of the Roman Catholic Church. Bishop Creighton said that so far as he knew, only one Episcopal Church had been closed in Mexico.

German Catholics Revolt

The Church situation in Germany has become more acute. Dr. Hans Kerrl, Minister for Church Affairs, resigned on the plea that it was no longer possible for him and his associates to continue to function in view of the opposition from other government agencies. The Evangelical churches were ordered to hold elections to choose a new synod. Lutheran Church leaders wonder whether the new elections will differ materially from those held in 1933. They resent being told when they may hold their elections. Freedom of the press has been denied them, if and when they decide to hold the elections.

Cardinal Faulhaber, addressing 5,000 Catholics attending Mass at St. Michael's in a sermon on the Concordat, said: "The Reich Concordat is not a decree, signed under pressure. It is a treaty which was freely negotiated and signed in good faith. How can other governments have confidence in the word of Germany's statesmen or believe that she will keep her agreements when this treaty with the Vatican, freely entered into and signed, has not been kept?"

The war on religion seems to have entered into a new phase. All Nazi training courses emphasize the Rosenberg view that Christianity and Judaism are alike poison to the German soul. Throughout the civil service, abandonment of religious ties is growing. Protestant and Catholic Churches alike have reported hundreds of such apostasies.

The Churches in Germany face one of two alternatives: either to become a Germanic Church (i.e. to lose their identity as Christian Churches), or to be entirely separate from the State support to which they are accustomed, and at the same time submit to the supervision of the Government. This latter would seem to be the course which will be chosen. Already the Government has called on German churches to share part of their lands with the

landless. The importance of this appeal is indicated by the fact that religious organizations own about 2,470,000 acres of Germany's agricultural and forest lands. Monasteries, convents, and Protestant churches are among the chief owners. Recent Nazi Party statistics showed that 27% of all German land was in the hands of the churches and a few large landholders.

Whatever the outcome, if German Protestantism is to continue it is evident that it must achieve more unanimity than it has hitherto enjoyed. It is apparent that the Reich Government is intent on reorganizing the Churches, if not exterminating them.

English Church leaders, both Anglican and Free Churchmen, recently sent a mixed commission to Spain to ascertain the facts on the relation between the civil war in Spain and the religious situation in that country. The commission reported that it had failed to find any evidence of anti-religious propaganda on the part of the loyalist government.

Towards Church Union

On February 17 three million Methodists (in local church 'family groups') sat down together to celebrate the launching of the Million Unit Fellowship Movement of the Methodist Episcopal Church. All those participating already knew of the movement under way to unite all the branches of Methodism in the U.S. They were not prepared, however, for the proposal of one of their chief speakers, Mr. John D. Rockefeller, Jr. Speaking over the radio from New York, he advocated the union of all Protestant churches in America, the abolition of all "denominationalism," and an entirely new set-up, with such a title as "The Church of Christ in America." Details of his plan are not of primary interest. What is of interest is the fact that this prominent layman has apparently taken the recent statement of the president of the Federal Council of Churches of Christ in America very much at its face value and is advocating the immediate inauguration of a program to achieve the "union" of which the F.C.C. President is not afraid.

The Gospel in Everyday Life

It is true that sporadic and half hearted efforts have been and are being made to translate the Gospel into practical everyday life in the U. S. The Church League for Industrial Democracy has sponsored the Delta Co-operative Farm at Hillhouse, Miss. The Society of Friends is even now just embarking on a venture—the attempt to rehabilitate 50 families of miners who apparently are doomed to permanent unemployment in their accustomed work. (This is to be done by teaching them to be self-sustaining in some other field of endeavor.) The National Union for Social Justice, under the leadership of Father Coughlin has set forth a program for Catholics to follow. Many other projects have been sponsored. Certainly the ideals of the Christian religion include an interest in the economic, social, and political wellbeing of mankind. Are the churches, individually or as a whole, able to deny the charges brought against them? This is a question which is even now in process of being answered. Will the answer be adequate?

The Swiss National Council of the World Alliance for International Friendship issued recently an appeal in which those Christians in Switzerland who feel themselves responsible for "dismembered humanity" are invited to join the association of the Friends of the World Alliance. "The World Alliance," states the appeal, "would like us to begin with what lies nearest to hand and to give proof of peace and reconciliation in that place to which we are expressly called by Jesus Christ, the Prince of Peace, and which we name after Him, namely, within our own Churches and in the manifold relationships of the different Christian Churches with one another. Where Christ is solemnly called upon as the Lord, the spirit of peace must first of all reveal itself as power and reality; it will then become known in the world of nations as well."

Confucius and the Catholics

Confucius, China's greatest wise man, is once more in the news. Two rulings handed down by the Congregation of the Propaganda to determine Catholic attitudes toward certain Confucian practices are undoubtedly among the most interesting of the Church's decisions and have evoked widespread comment. The first ruling applies to Manchuria, while the second deals with the Church in Japan. Similar in character, they both say, in essence, that since the Mikado's Government had defined the ceremonies honoring Confucius's birthday as purely non-religious and entirely patriotic in character, the faithful may participate in them. Images may be set up before which the customary bows are per-

missible. Nothing resembling a sacrifice offering may be made.

St. Francis Xavier saw the beginnings of this debate, now at last ended. The ancient Jesuit view is now supported by feeling in Rome: viz. that the ceremonies are a profession of loyalty to the state and that the Christion Missions cannot prosper if, for the sake of a possible adverse interpretation of some practices, converts are asked to disregard a civil law.

The News Bulletin of the National Lutheran Council reports that at the Royal University of Tokyo, Japan, 3,000 students described themselves as agnostics, 1,500 as atheists, 300 as Buddhists, 60 as Christians, and 6 as Confucianists. "Of 30,000 college students in Japan 27,000 or 90 per cent now declare themselves to be without religion of any sort."

Religion and the Schools

A portion of the school time is now being set aside for religious instruction in more than 400 communities in the U. S., according to Dr. Harry Emerson Fosdick. "This movement. which saw 225,000 pupils enrolled last year, is growing," said Dr. Fosdick in a sermon to the Protestant Teachers' Association in New York on February 14. He added: "I commend this to you as one of the most significant movements in education today. It has challenged the attention of the nation. Surely complete education does include religion to prepare young people with deep resources of religious faith. All is not well with the youth of this land. You school teachers are saying what so desperately needs to be said in this country. You are saying that children must have religion—intelligent, ethical religion. Where would we have been without that in America?"

Perhaps Dr. Fosdick had also read these statistics quoted in *The Methodist Episcopal Church, South*: "Of 18,434 Virginia high school students answering a questionnaire: 16,000 could not name three prophets of the Old Testament; 12,000 could not name the four Gospels; 10,000 could not name three of Christ's disciples."

REV. WILLIAM B. SHARP

QUESTIONS AND ANSWERS

From *Current History* Exams, a weekly broadcast over Station WHN, New York City

Students, teachers, and others who have taken the CURRENT HISTORY EXAMS as contestants in the WHN studios every Wednesday evening from 8:30 to 9, have failed to make a higher score than 75%. Try these questions yourself; the answers follow.

QUESTIONS

1. What is the difference between a craft union and an industrial union?

2. What is the largest industrial union?

3. (a) Who is the leading exponent of industrial unionism? (b) Of What union is he president?

4. Excluding the C.I.O., what powerful group of labor unions are not affiliated with the American Federation of Labor?

5. What is the difference between a sit-down strike and an ordinary strike?

6. What is meant by the "check-off" system?

7. Do any American labor unions discriminate against workers on account of race, color, or creed?

8. How many members has Congress?

9. (a) Who is Secretary of the Interior? (b) Of Agriculture? (c) Of War?

10. (a) What Cabinet post is held by Harry L. Hopkins? (b) What Government post was held by Rexford G. Tugwell?

11. What is the difference between a tenant farmer and a sharecropper?

12. (a) What section of the United States has the greatest percentage of tenant farmers? (b) What section of the country has the least number of tenant farmers?

13. With what country does the United States carry on the greatest volume of foreign trade?

14. (a) Is the area of Canada greater or less than that of the United States? (b) Is the population of Canada more or less than 9 per cent of the population of the United States?

15. What States actually border on the land of Canada?

16. (a) What is the Upper House of the Canadian Parliament called? (b) How are members of the Canadian Senate chosen?

ANSWERS

1. A craft union is a union of workers in their particular trade, regardless of how many industries it involves. An industrial union includes all workers in a given industry regardless of how many trades they may represent.

2. United Mine Workers of America.

3. (a) John L. Lewis. (b) The United Mine Workers of America.

4. Railroad Brotherhoods.

5. In an ordinary strike, the workers not only quit work, but they leave the plant as well; in a sit-down strike, they quit work, but remain in the plant.

6. The deduction of union dues from a pay check by an employer.

7. Some twenty unions have clauses in their charters excluding Negroes.

8. The Senate has 96 members and the House of Representatives 435 members, making a total of 531 members of Congress.

9. (a) Harold L. Ickes. (b) Henry A. Wallace. (c) Harry H. Woodring is Secretary of War.

10. (a) Harry L. Hopkins is WPA Administrator, but this is *not* a Cabinet post. (b) Formerly Undersecretary of Agriculture in charge of Resettlement.

11. A tenant farmer may pay his rent in cash or kind, whereas a sharecropper pays his rent only in kind.

12. (a) The Deep South; more than 60% of the farmers in this section are tenants. (b) New England, where less than 12% of the farmers are tenants.

13. Canada. In 1935, our trade with Canada amounted to more than 600 million dollars; our trade with the United Kingdom, to more than 548 million dollars. These figures cover imports and exports.

14. (a) Greater. Canada has approximately 3,694,000 square miles, while the United States has approximately 3,000,000 square miles. (b) Less.

15. Maine, New Hampshire, Vermont, New York, Minnesota, North Dakota, Montana, Idaho, Washington.

16. (a) The Senate. (b) Members of the Canadian Senate are nominated by the Governor-General in Council.

A DIGEST OF COMMENT QUOTED OR TRANSLATED FROM THE ORIGINAL

THEY SAY

SOMETIMES IMPORTANT ★ OFTEN AMUSING ★ ALWAYS AUTHENTIC

"ESSENTIAL ELEMENT"

SPAIN has never been able to accept a victory of foreigners. Invasions of our soil have invariably failed. The most deeply rooted feeling among Spaniards is that of independence. Spain fought the Moor and ended by expelling him from the country. She checked the French until her soil was cleared of them. . . . The Rebel movement is doomed to failure because it lacks the most essential element—the support of the Spanish people.

—Gen. Jose Miaja.

ITALIANS HAIL VICTORY

There are strong reasons to believe that Gen. Franco's decision to strike at Malaga was induced by warnings from Premier Mussolini and Col. Gen. Goering, after the conferences in Rome in January, to press his military campaign to a decisive issue before the rising tide of popular sentiment in neutral European countries drove those countries into the conflict on the Government side or whipped the London non-intervention committee into taking steps for effective blocking of German and Italian aid for the Spanish Fascists. The capture of Malaga was expected to break the morale of the Madrid-Valencia Government.

In any event, the capture of Malaga was openly acclaimed in such responsible Italian newspapers as Il Tevere as a victory for Italian arms. The "coordinated" German press hailed it as a triumph for Nazi ideals. And Pope Pius, celebrating the eighth anniversary of the Lateran accord between the Vatican and the Italian government, "rejoiced over the Spanish Fascist capture of Malaga."

Meanwhile the Loyalists have launched a campaign in Cordoba Province, in which they report some progress toward the city of Cordoba. They derailed and sent crashing into a ravine near the town of El Higueron a train they said carried 1,000 German troops, presumably destined to take part in the attack on Malaga.

—*Spanish News Digest*, March.

New York World-Telegram

A NEW HEIR-APPARENT!

SPAIN'S APPEAL TO ITALY

The Italian volunteers who are fighting in Spain in aid of a people struggling for liberty, ask you to prevent Fascism from continuing its criminal activities of helping Franco and the other rebellious Generals. Every day aeroplanes supplied by Italian Fascism and piloted by mercenary aviators who dishonour the name of our country, are dropping bombs on unarmed towns, destroying women and children. . . . Franco would have been defeated before this had it not been for Fascist support.

Proletariat of Italy, awake! Put a stop to this disgrace! Do not allow any more arms to leave the factories and the ports of Italy. If an open boycott is impossible, then have recourse to secret sabotage. The Italian people must not become the policeman of Europe.

Italians, help the Spanish revolution! Prevent Fascism from supporting the rebellious and Fascist Generals. Collect money. If as a result of incessant persecution you cannot effectively fight dictatorship where you are, come here as quickly as possible to reinforce the columns of Italian volunteers in Spain. The sooner the victory of the proletariat is won in Spain, the sooner the day of freedom will dawn for Italy!

—Broadcast from Barcelona.

Revolution and Conversation

I HAVE just spent a further three weeks in Spain, visiting Aragon, Catalonia, Valencia, Alicante, and Murcia. The impressions which follow are open to contradiction and will probably be contradicted; but so far as possible they are unbiased and the result of checking up on many conversations with many different kinds of people. Spain is a country where it is impossible to get accurate figures about anything important and where rumours gather force in proportion as the censorship grows more severe.

In fact it would be hard to find an atmosphere more full of envy, intrigue, rumour, and muddle than that which exists at the moment in the capitals of Republican Spain; while Malaga falls and Madrid struggles heroically, the further one gets from the front, the dimmer grows the memory of the 19th of July, the louder the mutual accusations and reproaches of the parties. They are now even jealous of their one hope, the International Brigade, and it seems useless to clamour for unity of command when there is no one worthy of it. Here are some notes on people's conversations. They will show how many different points of view are permitted.

A German: "They ask why don't we attack on the Aragon front. I will tell you. I am in the International Column. There are 12 of us alive out of my company, and a hundred out of my battalion. If we do decide to attack it is known to the other side almost before we know ourselves. The Spaniards will not attack at night in any case. We have no artillery, few machine-guns, and obsolete 1870 rifles, old German ones bought from Mexico."

A Hungarian of the P.O.U.M.: "Look at those crowds. Look at those women. It's disgraceful. All bourgeois, bargain-basement people, pram-pushers. Is this what I'm fighting for? I tell you we are only at the beginning—yes. There will come a day when father will be killed by son and sister by brother, not just at the front, but here in the streets of Barcelona. At least I hope so. But the Spanish people are like this." He lights a match and holds it upwards till it goes out.

A High Official (Catalan Left): "We are all sick of the war in Barcelona. The front is just for people who like fighting, I think. Most people on this side don't know what Communism means, most people on the other don't know what Fascism means. The priests were not Fascist, most of them didn't know about the large sums of money hidden in their churches—only the bishops did—and we got the archbishop out all right. I don't even think Franco is a Fascist."

Another (Catalan Left): "This is a very interesting revolution, because it is the only Western revolution since 1789—only do not exaggerate it. We have taken over a few large factories and estates, but we have only socialised transport, hotels, cafés, theatres, cinemas, barbers and boot cleaners—not very much, really. You see we are a nation of *petits bourgeois* and we have naturally left them exactly as they are—no, I should rather describe our present regime as a 'capitalism without capitalists.'"

English Communist: "But how can one co-operate with these people? The P.O.U.M., of course, are simply Fascists: as for the Anarchists—one can't go bumping people off in 1937! And besides, they're inefficient, anti-militarist, they won't accept officers, they can't keep step. You know Durruti was killed by an Anarchist, they were jealous of his friendship with the Russians: his views were very unpopular. And look at the Aragon front—if the enemy attack they will get to Lerida, and a very good thing too, it will bring people to their senses. That and a stiff bombardment of Barcelona is what we've all been hoping for for two months."

Spanish Communist: "I see no reason why the Anarchists and Communists shouldn't be united. The Anarchists are very simple people, they do not realise how long their ideas must take to put into practice. Their Ministers do—and they often turn into Communists when they realise this."

Anarchist at the "Shanghai": "Anarchism with us is very old, very old indeed, and very international—look at me, I drove a tram at the time of the strike in 1933. I arranged some sabotage, I was an idealist—so I escaped to England, and then Belgium. I knew García Oliver, I drove him 8 hours unconscious in my lorry once, after the police had knocked him out. You found him friendly? We of the revolution are like that—besides, who cares about death? A tile might fall on my head at this moment, in any case to die for an ideal is not death." "But what about being blinded or lamed for an ideal?" "Spain would never forget her sons!" "Would you say there was still a revolution here?" "Don't you worry about the revolution, the F.A.I. will take care of that—nor about Russia—Oliver sleeps in the Russian Embassy, that is the terms we are on. You worry

about England and France; it is they who are deceived about where their interests lie. England and Spain, what couldn't we do together, two rich democracies like ours!"

—*The New Statesman and Nation*, London, February, 1937.

HOLSTI COMES TO MOSCOW

It is with a feeling of deep satisfaction that I bid you welcome, Mr. Minister, in the name of the Government of the Union, and add my own personal greeting. I welcome you as the first Minister of Foreign Affairs of the Finnish Republic to visit our capital.

The general activity of the Soviet Government in the international arena to consolidate universal peace, to strengthen the system of collective security and to increase respect for international obligations is also aimed at strengthening the feeling of security among peoples both large and small.

Unfortunately, these efforts are meeting with an obstinate counter-action on the part of certain forces who are attempting to nullify the work of peace, who seek to make eternal the institution of war, who cannot conceive a civilization without the mutual destruction of peoples, who take their stand against equality of rights between large and small peoples and who deny the right of every people to an independent existence. These forces are the more dangerous in that they have their agents and their representatives in all countries.

I would like to believe, Mr. Minister, that your visit is not only a manifestation of the desire to promote the relations between our Governments, but is also an expression of your understanding of the aims of the Foreign Policy of the Soviet Union and of sympathy towards them.

If this is the case, your visit will be more than an important step in furthering the development of Soviet-Finnish relations. It will be a service to the cause of universal peace.

—From Maxim Litvinov's address welcoming the Foreign Minister of Finland, Rudolf Holsti, to Moscow, as reported in *Izvestia*, Moscow.

They Want Women

QUITE unnoticed, except for a few lines buried in the back pages of the Moscow papers, an event of a certain significance has taken place. Stalin's deputy in the Pacific, Lavrentiev, the Secretary of the Far Eastern Regional Committee of the Communist Party has been suddenly removed from his post and sent to perform some kind of duty in the Crimea. Vareikis was 'elected' to fill his place. Vareikis has long been Stalin's deputy at Voronesh and, in more recent years, at Stalingrad.

The change was sudden. But it cannot be called unexpected. Even in the press, one could notice that there were disagreements between the Far Eastern Regional Committee and the commander of the Special Far Eastern Army. At the close of the past year, the disputes between Lavrentiev and Bluecher were examined by a commission of investigation of fully-empowered party-workers with the chief of the Political Administration of the Red Army, Gamarnik himself, at its head.

Their views can only be judged by the removal of Lavrentiev. But some of the conclusions of this commission were published in the Moscow press.

First of all, the commission discovered a lack of planning and common sense in populating the region. People were brought to the shore of the Pacific in torrents. However, the leaders of the Far Eastern Army require a permanent population and Bluecher's staff holds that an essential condition of permanency is an equal proportion of men and women. This condition was systematically violated by the civil authorities. The 'city' of Komsomolsk can serve as a striking example.

Komsomolsk is the most important military and industrial center on the Russian shore of the Pacific. In three years, from 1933 to 1936, more than 40,000 men and less than 20,000 women were brought there. To be more correct, the amount of women sent there was even smaller, but their number was increased by a large addition of Korean, Chinese, Hilean and Kamchatkan women who flocked in of their own initiative, thus, to a certain degree, rectifying the 'inadmissible error' of the civil authorities.

Who is responsible for this error? Officially, no one. The basic stream of 'settlers' is under the direction of the Commissariat of the Interior, now headed by Iezhov. These 'settlers' are sent to the Dallag, the administration of the Far Eastern camps of forced labor. The work is hard, indeed, calling for strength and endurance. Consequently, men are preferred. Settlers are also recruited for work in the newly-built military enterprises by various organizations of the Commissariat of Defense Industries. They, too, ask for men and not for women.

Fisheries are being developed in great haste by Commissar Mikoyan of the Food Industries. Mikoyan and the military authorities have a full understanding. His task is to attract to the Far East the best fishermen and sailors from other parts of the Union in order to create a reserve of personnel for the new Pacific battle fleet.

Mikoyan is fulfilling his job. In the fisheries of the Bering Sea and the Sea of Japan under his supervision, there are now almost a hundred thousand experienced fishermen and sailors. But these, of course, are not women.

Other departments follow a similar policy; they bring in men. So that a drifting, highly dangerous from the point of view of defense, is taking place in the Far East. Men are brought by the train-loads, and they run away in droves. The reason for their decamping is a moot question. But, in the opinion of the Far Eastern General Staff, the number of departures would be sensibly decreased if the men were enabled to provide themselves with families.

Construction is wide in scope, but its progress is questionable. Approximately five billion roubles have been spent during the past three years on the construction of enterprises of defense in the city of Komsomolsk. An outlay of two more billions is envisaged in the near future. A ship-building yard has been started. The yard is already working, although it is, as yet, incomplete. Next to it, aviation factories, munitions plants and other enterprises are situated. They have bitter quarrels about their allotments of land. Most surprising of all, Komsomolsk is considered a city, but the managements and Party committees of the various enterprises obstruct the organization of a city soviet, the creation of city land and the planning of streets.

And since there is no city soviet, there are, of course, no city hospitals, no pharmacies, no ameliorations. And there are already sixty thousand inhabitants, with forty thousand more expected to arrive during 1937.

This state of things is evidently the reason for sending Lavrentiev to the Crimea. But whether the new legate, Varcikis, will be able to organize law and order in the Far East remains to be seen.

—*Novoye Russkoye Slovo*, New York City. Russian language newspaper, February 12, 1937.

Star, London

HITLER: "What—And Drop This?"

THE DANGERS OF HEROIN

"WARNING! "WARNING!

"Against the dangers of Heroin."

There is a mistaken belief that heroin will cure venereal diseases and reduce the pain of syphilis.

Such a belief is untrue and is only circulated as propaganda by the manufacturers of Heroin.

Heroin is a most dangerous drug, worse than opium.

You can become addicted to the heroin habit even after a single dose. Heroin is most detrimental to health, even for those suffering from venereal diseases. There is no need for heroin as it will not effect a cure.

The Hongkong Colonial Government provides free treatment for all venereal diseases, including syphilis, at all hospitals and public dispensaries.

In connection with the smuggling business and sale of opium derivatives such as morphine and heroin, conducted largely by Japanese and their Formosan subjects, the Hongkong government is now running an advertisement in the local newspapers, which constitutes a curiosity in the history of advertising. The notice, together with a translation, appears above.

The forces which are compelling Hongkong to relinquish its century-old trade in opium are twofold: Morality and Chinese opposition. Gen. Chiang Kai-shek, following the recent political deal resulting in the unification of Canton and Kwangsi with the National Government at Nanking, announced that South China would suppress opium production and consumption in three years. An official bureau was established providing for official registration of smokers, licensing of dealers and hospitals for the cure of addicts which have proved successful in reducing the traffic in other parts of the country, particularly in the Yangtsze Valley. The enforcement of Gen. Chiang's drastic anti-dope laws last year resulted in the execution before firing squads of nearly 1,000 dealers and hopeless addicts in Central and North China.

From the standpoint of morality the British authorities have become increasingly restive as a result of charges made at League of Nations conferences that their oriental colonial establishments from India to Hongkong have been partially supported by revenues from official sale of opium to

Chinese residents. As a result of these charges British colonial administrators met in Bangkok, Siam where it was decided to gradually reduce the traffic. Straits Settlements and Federated Malay States each set up a reserve fund to take the place of opium revenues, the fund in the case of Malaya now amounting to about $45,000,000. Hongkong, however, did not do this; hence the prospect of losing the revenues from opium now constitutes a serious financial problem, particularly serious at the present when plans have been made for spending large sums on the Island's defenses occasioned by the crisis with Japan.

—China Weekly Review, January, 1937.

Hongkong Worries About Air Raids

THE population of the British colony of Hongkong is reported to be in a state of general nervousness and panic amounting to almost hysteria over impending air raids on the island. Hongkong appears to be preparing for war and is making feverish preparations to evacuate its 750,000 people to the hills behind Kowloon, opposite Hongkong, in the event of air raids. The Hongkong Air Raids, Precautions Committee have drawn up elaborate plans for such an emergency. The cost which will be Hk. $1,500,000. will be borne by the Hongkong Government over a period of from five to ten years. Food and water will be provided by the authorities. The plan will be put into operation only in the event of an air raid, ample warning of which would be forthcoming. The authorities will render the entire Colony as gas-proof as possible under conditions of modern warfare. One of the most vital plans of the Anti-Gas Committee's plans, it is learned, provides for the selection throughout the Colony of suitable buildings where the people engaged in maintaining essential services would be safe from gas and bombs. Negotiations are proceeding with local rubber factories for the manufacture of gas masks to be used by the inhabitants in case of need. It is said that mustard gas and its allies are the greatest menace in gas warfare.

Mustard gases are so persistent that they can affect people for days after they have been scattered. Chloride of lime is the main chemical agent used for sealing gas deposits, and negotiations are proceeding in Hongkong for the accumulation of a vast deposit of this chemical. The military authorities in Hongkong, however, do not intend to wait for an enemy to bomb the colony before retaliating. During the past twelve months there has been feverish activity in defence plans formulated two years ago. Throughout the Colony, and especially in the New Territories, anti-aircraft gun mountings are being placed in all strategic positions.

The Hongkong Government is simply inviting disaster by adopting a senseless plan of defence which will be of no help at all against any enemy. Air attacks are not necessary to destroy or to dispose of Hongkong. It is surmised that the enemy who may attack Hongkong from the air is no other country than Japan, a former friend and ally of Britain. It will be Britain's fault if a war does come between the two countries. The position of Hongkong would be infinitely safer without adopting any defensive plans which are only irritating and invite attacks. In a war between Japan and Britain, Hongkong cannot be safely defended and it would be the first far-flung British outpost to fall. In all probability Japan would not be fighting alone, should a war break out between these two countries. Owing to Britain's precarious position both in Europe and in India, the British fleet, once cut off in the Mediterranean, which Britain no longer controls, the Singapore Base becomes useless and Hongkong will fall into the hands of Japan like a ripe apple falling on the ground which not even a supernatural power could prevent. It is our hope, however, that Japan and Britain could compose their differences and avoid a war.

—China Outlook, 1937.

MEXICAN DEFENSE

Replying to wholesale criticisms recently made by minority elements in the Senate of the Republic against the procedure used and the methods employed in breaking up large estates and distributing the land among landless peasants organized in communal societies, the official Department of Publicity and Propaganda of the Mexican Government has published a statement which in part reads as follows:

"Whosoever is fully cognizant of the origins of the agrarian problem and of the constant struggle to establish a definite procedure for solving it, will be greatly mistaken should he say that perfection has been achieved; but it would be equally false to affirm that in the main there has been no successful achievement.

"The problem arises from intricate juridical conditions resulting from a defective social organization. We have labored under economic systems that created special privileges for one social class only. In the struggle against such systems revolution was inevitable, armed revolution first and later a series of legal reforms seeking to establish norms for a just redistribution of land, of the natural resources of the country, and of the public wealth.

"The general procedure adopted from time to time by the Federal Executive for the solution of

the agrarian problem has wisely varied from place to place in an effort to meet conditions that are not everywhere the same. Such things are taken into consideration as the district in question, the quality of the soil, the mores of the people inhabiting it and their cultural development. Only theoretically can one speak of agrarian procedure applicable to the entire country that has such varied cultural and physical features.

—Mexican News Letter.

CHARLATAN

It is reported from Hollywood that the Marx Brothers have banned the word "charlatan" from the script of their new film. It is not that they are mealymouthed or afraid of the strict American censorship. It is merely that they regard the word "charlatan" as being above the heads of the public. According to the *Evening Standard*, when Harpo first saw the word in the script he objected volubly. "Five out of six people won't know what it means," he told the director. The director agreed to put the matter to the test, and six people were sent for —"technicians, players, any one who happened to be around the set." Each of them was asked, "What is a charlatan?" and in the result it was proved that even Harpo had been too optimistic about the intelligence of the public. Not only five out of six, but six out of six were unable to give the right answer. The six answers given were: (1) "Girl's name," (2) "Old Biblical expression," (3) "Egyptian word," (4) "Ice-cream," (5) "Early European emperor," (6) "Don't know."

With this damning evidence before him, was the director justified in leaving the word out of the script? I do not think so. After all, it is one thing to misunderstand a word out of its context and quite another thing to misunderstand it in its context. However incapable I might be of defining "charlatan" to an examiner, I should know, if I heard one film-actor saying to another, "Sir, you are a charlatan," that he was not calling him an ice-cream. That would be going beyond the lunatic humours even of the Marx Brothers. I should also eliminate the possibility that he was addressing him by a girl's name or that he was telling him that he was an early European emperor. In fact, unless the Marx Brothers were acting far below their form, I should conclude at once that one of the characters was conveying pretty clearly to the other his opinion that he was an impostor.

—The New Statesman and Nation, London.

Backdrop to Runciman Visit

MR. RUNCIMAN'S colourless report on the nature of his negotiations in the U.S.A. was so obviously amorphous that it only raised the question as to why so important a minister was sent on so timid an exploratory mission. The feeling in London is that the official reason given "just doesn't make sense".

What has been hazarded as the explanation of the visit is the following:

The real reason why Britain submits to a whole series of diplomatic humiliations by the Fascist Powers, and pretends continually to disregard or deflect evidence of their actions, perfectly well known to her Secret Service, is the dread that a war would reveal financial weaknesses—easily disguised by manipulations in times of peace.

All the classic devices of recovery—a managed currency; its correlative, artificially cheap money; stimulating a building boom; profits from restriction schemes in commodities, etc.—are all worthless upon the outbreak of war. The balance of trade is violently upset, short-term funds have to be immobilised or else the outflow would wreck the currency, the building boom is stopped and raw materials are almost exclusively directed to waste, the consumption industries become secondary.

Britain is not in the position of Germany. As an imperialist state, owning a fourth of the world, having a financial hegemony over another fourth, the depository—along with the United States—of most floating money, she knows that the outward signs of finance capitalism must be kept as nearly intact as possible, even in a war, if she is to emerge with a social structure even remotely resembling the one with which she enters the war.

Unless she is assured of the unlimited financial aid of the United States, there is no possibility that these objectives can be attained.

The Runciman feeler seems to be a required move at this juncture, and the Niemeyer moves, adding the financial aspect to the trade facade built up by Runciman, confirm the suspicion.

American financial opinion is being groomed by the "Annalist," the "Financial and Commercial Chronicle" (closely allied with Morgan), and other "responsible" papers, for a resumption of foreign lending. Men like Professor Nadler have issued inspired and authoritative treatises proving that after all the losses to the American bondholders as the result of careless lending in the 'twenties have been greatly exaggerated, and considering the elevated rate of interest, that there were no effective losses at all!

This synchronised campaign is the curtain-raiser to negotiations for a settlement of the War Debts question on just enough of a basis to enable the Secretary of the Treasury and the Secretary of State to rule that Britain is no longer in default under the intention of the Johnson Act. With this

St. Louis Post-Dispatch

"A MAD WORLD, MY MASTERS"

cleared away, and British lending resumed, the way would be open for war-time financing, at this moment wholly excluded, even by indirect means.

Even this manoeuvre will be resisted, as the continuous campaign of Senator Nye for financial boycotts in war would have a large popular following; but the juridical difficulties would be done away with, and the banking structure of the United States would once more be partly based on collecting British credits.

The example of 1917, when the few referenda taken in the United States showed the overwhelming hostility of the American people towards allying themselves with England in her war, although financial necessities allowed of no other alternative, undoubtedly haunts Runciman in 1937 as it did Reading in 1915, Balfour in 1917.

—*The Week*, London.

SELF-CRITICISM

The great difficulty with us Jews is, that in consequence of a long history of persecution, we have become hyper-sensitive to criticism and have come to look upon criticism of the Jews and anti-Semitism as one and the same thing.

This is perhaps a natural result of centuries of persecution, but the inevitability of the psychological reaction does not justify such a conclusion. Criticism is not the same as hatred and critics are not enemies. The greatest friends of a people are not those who praise but those who honestly find fault. A people without criticism is either a dictatorship or a community so deeply imbedded in smug self-satisfaction as to be on the same road to decadence.

It has been our misfortune that, because of the centuries of persecution to which we have been subjected, we have often been spared the criticism which every healthy people needs so badly.

The pathos of our position has led some of the more generous minds in the non-Jewish world to overlook our shortcomings and to concentrate on our virtues.

This has gone on for so long that we have come to expect all our non-Jewish friends forever to sing our praises, or at least to justify our shortcomings.

The harm done by this attitude is great and manifold. One interesting aspect of it has been disclosed by Mr. Wells himself. In one of his replies to his Jewish critics recently, he said, "The Gentile writer, who wishes to escape from the systematic hostility and detraction of a large and influential section in the literary world, is urged to exaggerated and exasperating suppressions—until he loses patience and explodes."

If we Jews were wise, we should encourage such "explosions," painful as they may be, for, as any psychologist will testify, they are at their worst better than the suppressions which cause them.

Better still, of course, would it be if we could do away entirely with the sycophancy and dishonesty which cause these suppressions. Our morbid search for "anti-Semitism" and intolerance of criticism are, undoubtedly, the causes of much of the feeling against us.

But this does not exhaust all the harm done by this false attitude. A worse result is the effect which it has on our own selves. We have so long dismissed criticism as anti-Semitism that a good many of us have actually come to believe that there is nothing which really *can* be said against us.

Our apologists have for so long pictured us as a nation of Christs, Spinozas, and Einsteins that some of us have actually come to believe that we are a people of genius and are shocked at the mere suggestion that there may be some sort of case against us. By a process of faulty reasoning, some of us have reached a conclusion that since our persecutors are abysmally wrong, we are necessarily entirely right.

But this is not only bad logic, it is also not in conformity with the truth. The fact that the Nazis are brutes who have lost every image of God does not make angels of us. As we all know, we have our share of the scum of the earth; our economy is frightfully faulty, and our psychology is the most morbid in the world. Vacillating as we do between adherence to a most rigid tribalism and a desire for slavish assimilation, we have largely become super-sensitive neurotics weighed down with complexes of inferiority and pride, which cannot but be disliked by every healthy person.

We have not traversed the valley of persecution and suffering for centuries without collecting some of the dust of the road. Persecution degrades and humiliates a people and makes it unlikeable even

if every one of its faults can be easily explained by its suffering.

—*World Jewry*, London.

M. BLUM AND PACIFISM

Nothing is settled which is not rightly settled, once said Lincoln and nothing can be settled in Europe, or in fact in the world, so long, as we endeavour to cure the evil by superficial medicines which might be useful to make the visible signs of the disease fade away for the moment, but do not tackle the evil at its roots and eradicate it once for all.

It is said, both as regards economics and politics, that there must necessarily be a return of confidence before any real progress can be made. This is true, but why should one group of powers be distrusted when all they ask for is equal treatment and equal chances in the fight for existence. It is clearly wrong to mistrust those who simply, in plain and unmistakable words demand equality at a time when others continue in the spirit of 1919. It has always been for victors to tender a friendly hand to the defeated.

Monsieur Blum has made yet another pacifist speech on the 24th inst—but this again was so chracteristically surrounded by safety valves that it is hardly probable that Herr Hitler will be able to go further than he has done before offering all possible guarantees to France on the question of the Franco-German border and that of peaceful co-operation between the two countries.

Germany has, besides, already guaranteed the integrity of Belgium. And Belgium seems to be satisfied with these guarantees and, if we are not mistaken, wishes to carry on an independent foreign policy of her own. To all appearances Belgium is not yet convinced that the recent French foreign policy can increase her own security but she seems to fear that she may become entangled in a French adventure.

This consideration leads to that of another slogan which, it is to be hoped, is but a dream of the past, that of collective security.

As it was advocated by its supporters it had the appearance of being of an innocent nature but in fact it was nothing less than a means of maintaining the *status quo* as against evolution. The idea was rendered the more pernicious by reason of the Franco-Russian alliance which is greatly responsible for what is considered to be a danger in England, that of the splitting of Europe into two camps, that of Fascist and Antifascist.

Collective security is an utopian dream or a mask for the selfish, which it must necessarily be so long as it is based upon the *status quo*. No sane politician can expect any collective security pact to be of lasting value as long as it is based upon two sets of powers: saturated ones on the one hand and dissatisfied ones on the other.

—Baron Paul Forster, *Danubian Review*, January, 1937.

Birmingham Gazette

GERMAN MORTALITY

A feature of Germany under Nazi rule has been an increase of 10 per cent. in the nation's annual rate of mortality, which rose between 1932 and 1935 from 10.8 to 11.8 per mille. More remarkable has been the increased rate of mortality among the lower-middle and working classes. According to the official figures published by the *Deutsche Aerzteblatt*, in that section of the population covered by the public health insurance schemes, deaths per thousand rose in the same period from 20.5 to 27—an increase of 32 per cent. Among non-contributory persons included in the schemes the increase was no less than 40 per cent. Here is a grim reflection of the reduction under Hitlerism in the numbers of panel doctors from 40,000 to 30,500, enforced economies in the cost of prescriptions and appliances and curtailment of permitted hospital treatment. In a country whose Government has voted for guns instead of butter, the well-to-do suffer no loss of longevity; but the working classes, which National Socialism was to elevate, provide death, even in peace-time, with a richer and richer harvest.

—*The New Statesman and Nation*, London

GERMANY SEES RED

The age-long friendship between England and Italy did not break down because of the Abyssinian struggle but because of British fear that the fascist *imperium* would one day threaten the existence of the British Empire. In the Spanish question it was not a Fascist Spain as such, but a Spain dependent on Italy, which England regarded

as a danger. The occupation of the Balearic Isles by Italian citizens increased the tension, but finally decided the English to obtain a settlement with Italy.

The Anglo-Italian Agreement includes a recognition by Italy of Spain's territorial integrity, and with it England's Mediterranean fears cease to be a factor in international affairs.

The first result of this is that England is now at liberty to work out a reasonable solution of the Spanish question.

The English attitude is now free from considerations of power politics which before the agreement influenced English policy almost in favour of a Bolshevist Spain. It is worth noticing that a section of the French Press has examined the Mediterranean Agreement in order to discover its effect in this connection. The *Journal* writes that the most significant feature about the agreement is that the English, like the Germans and Italians, do not want Spain to become a seat of anarchy. England must have taken into account Italy's understanding with Germany to fight Communism. And the *Journal des Débats* confirms that England too is now opposed to the extension of Bolshevism to Spain.

—*Deutsche Allgemeine Zeitung*, Berlin.

BERLIN GRINDS AN AX

In all circles which can lay any claim to honesty there is general agreement that the present lull in General Franco's operations is the result of the large amount of war material and soldiers sent to the bolsheviks in Spain by the Soviet Union. Moscow has also threatened that the Red War Fleet is ready to protect their transports. The interference with German shipping by the Red Basque pirates has been shown to have been instigated by Marcel Rosenberg, Moscow's Jewish envoy in Madrid. The aim of Moscow policy is clear—to keep at least part of Spain under bolshevik domination by all means in its power.

This can only mean a change in the *status quo*. Far more important than the geographical change would be the fact that thereby a second centre of international bolshevism would be created, which would, moreover, always be under the active military protection of the Soviet Union. A platform would be erected for a perpetual bolshevik policy of unrest which would seek to disturb political balance in the Mediterranean.

It is clear then that bolshevik rule in even a small part of Spain is not compatible with the *status quo*. But if protests are now raised against a possible change in England's Spanish policy, this can only mean that the policy so far pursued has, to say the least, led to no weakening of the bolshevik front in Spain. Which is in any case a fact worth noticing. And one can scarcely help drawing the final conclusion that actions which hinder an alteration in the *status quo* by a bolshevik State in Spain are entirely compatible with the Mediterranean Agreement; even if one does not hold the view that the preservation of the *status quo* in the Mediterranean directly *demands* a speedy and emphatic end to the bolshevik terror in Spain.

This shows how English policy, too, centres less and less around the alternative of "keeping the peace" or "co-operation with the Soviet Union." The people who believed there was no difference between a Russian warship under the Tsarist eagle and a Soviet cruiser which is an armed threat of red world revolution, are the same people who now represent the Comintern's war on Spanish territory as an "internal conflict." But the policy which wishes to secure and keep peace will inevitably come to the point where it must realise that its will to peace is incompatible with Moscow's policy. Perhaps the Mediterranean *status quo* will prove to be the source of a long-overdue lesson for London.

—*Völkischen Beobachter*, Berlin.

GERMAN GREETING

When the German super-diplomat, Ribbentrop, while presenting with other envoys his credentials in London, saluted the English King in the Fascist manner—clicking his heels and raising his right hand, that was a symbolic gesture of its kind. Ribbentrop's "exploit" closely resembles the behavior of Greiser, the President of the Senate of Danzig during the past year's session of the Council of the League of Nations when that Hitlerite statesman stuck out his tongue at everyone present. This time, however, the "symbolic gesture" of Hitler's representative is the formalization abroad of certain matters expressed in Hitler's last speech, that is, the resolute demand of the return to Germany of all the colonies she has lost during the World War.

Now, it is well-known that three-fourths of these colonies in area and more than half according to population have been received by the British Empire thru a mandate of the League of Nations.

The Fuehrer's speech has produced a feeling of great inquietude and dissatisfaction in the political and governmental circles of England.

Nevertheless, it would be mistaken to think that the undoubted sobering effect produced on even those English circles friendly to Fascist Germany by this policy of blackmail has nullified the influence of Hitler's minions and patrons in London. There are still people who would be glad to continue the attempts to "canalise" German expansion and to buy themselves off from Fascist aggressors at somebody else's expense.

The near future will show whether the English

Birmingham Gazette

ANOTHER STAY-IN STRIKE IF FRANCO WINS?

Franco says he will give no concessions to any foreign Powers after he has conquered Spain

Government will support the principle of indivisible peace at present advocated so resolutely by the English press.

—Vigilis in *Izvestia*, Moscow.

TOO MANY GERMANS

The following passages are from a recently published book entitled *200,000 Sudetendeutsche zu viel* (200,000 Sudeta Germans too many) by the eminent German publicist, Kurt Vorbach. Herr Vorbach's data are absolutely reliable and present a startling picture of the havoc wrought by Czech rule in the Sudeta German districts, the wealthiest part of pre-War Austria.

"Today the once flourishing industrial district has become the grave of industry. The factories, crumbling to ruins, are at a standstill; the wind whistles through the empty workshops; the machines are rusty. A hundred thousand unemployed, starving and ill, gaze at the closed gates without any hope that they will open."

"In 1918 the Czechs launched an attack with the weapons of political power against every phase of existence of the Sudeta Germans. The old war-like spirit of Hussite vandalism awoke anew. German schools were closed: German workmen and officials were driven out of the civil service; the use of the German language was restricted: German railways were expropriated; and German forests and ploughed lands were conveyed to Czech settlers or to the State. The vitals of every racial group are its economic life, and the Czechs set themselves ruthlessly to the task of weakening and destroying economic prosperity among the Sudeta Germans."

"The (Czech) frontier problem"—writes the "Obrana Narodna," a Czech magazine—"is how to regain possession for our own (Czech) people of one-third of the country. The solution of the frontier problem lies in colonizing that one-third with our own people, in pushing out the present lingual border to the limits of the political frontier, and in creating an absolutely strong, invincible and reliable frontier zone by erecting a bastion composed of our own race and blood."

"Unemployment has never spread to the same extent in any of the Czech districts as in the German frontier areas; destitution and want have never taken the same form in any Czech place as they have in the German frontier zone, where cats and dogs are being killed for food and the bark and roots of trees cooked to appease hunger."

This difference between the two peoples of the same State, between rulers and ruled, is not to be accounted for by the differences evident in the branches of occupation pursued by the two races, nor can it be satisfactorily explained by the changes in State and economic policy that took place in 1918, or dismissed simply as the result of "miscalculation" on the part of the leaders of German industry. It is the visible and undeniable expression of the State's will to destroy.

"200,000 unemployed will never return to the places of work they were forced to abandon." This statement was made calmly and dispassionately in 1934 by the Prague Administration. And those 200,000 will be Sudeta Germans! We cannot disregard this terrible statement. For the lot of the 200,000, with all the terrible accompaniments of starvation, want, misery, disease and despair, will not be theirs alone: it will also be the lot of the three and a half million Sudeta Germans who form

a living barrier along the 1550 kilometres of frontier towards Germany against the coveted expansion of an imperialistic folk.

—Danubian Review, January, 1937.

MILITARY COMMUNISM

The turbulence and storm of the last six or seven years in Germany is not a simple matter, yet an analysis reveals the simple truth that Hitler, despite his extravagant and paranoic gestures, has so far from providing the German people with any enduring benefits, landed Germany almost inextricably in the mud. The truth of the matter is—and many almost lost sight of this in the first flush of Nazi success—that Fascism and Nazism are not doctrines, but simply messianic mystifications created to cloak and justify grossly arbitrary and tyrannical regimes, the stage preparatory to wars of conquest and cannibalism. The Nazis often tell the nation that it must emulate Prussia which starved itself to greatness. The starvation is certainly here; it is victory that will bring greatness. Here we have the whole explanation of Germany's desperate economic plight. The Treaty of Versailles was certainly a heavy millstone around the German people, but it is safe to predict that it will take them longer to recover from the feverish rearmament programme of the Nazis which consumed almost all the available assets of the nation. In the face of difficulties less calamitous, the Nazis always employed desperate diversions such as the Rhineland coup as a reviver. These diversions have been to Hitler what spinach is to Pop-Eye the Sailor Man. The question we must all ask is: will the diversion be inside or outside Germany?

Various possibilities suggest themselves. We must not exclude the possibility of an important change inside Germany itself before Hitler gambles yet once again. The last four years have shown that the German nation was capable of tremendous sacrifices under the spur of Nazi idealism, however false and spurious this idealism may have appeared to the outsider. But it can no longer be doubted that the increasing misery is sapping their last reserves of hope and with it their blind faith in Hitlerism. Clearly, Germany is fast moving towards a kind of "military communism" which characterised the most strenuous period of Bolshevism in Russia. Against this prospect are rising, among others, the orthodox economic elements or, as the Nazis would say, all capitalist economy, that is, the industrialists and financiers, who, guided in the main by realistic calculations such as dividends and profits, hold that the Nazi programme may be heroic but not economic. Many of them believe that Germany's only hope lies in a closer contact with world economy. Should there be a widespread disillusionment with Nazism, it is more than likely that with the aid of the army, they will attempt in the face of Bolshevist chaos to seize complete control of the State apparatus which they were compelled to share with Hitler as a result of the Nazi upsurge in 1933.

On the other hand, Hitler may attempt to relieve the tension at home by some adventure abroad. Spain or Czecho-Slovakia are likely to be the objective, for Hitler cannot, with any reasonable prospect of success, hope to break through the Franco-Soviet military cordon. As for Czecho-Slovakia, the recent French loan of 14 million pounds to Poland was executed with an eye on that particular sector.

The greatest danger in the event of a sudden attack by Hitler would appear to be, as in the case of the Italian invasion of Abyssinia, the paralysing fear that the downfall of Hitler would precipitate a Bolshevist revolution inside Germany. Hitler will exploit this to the full.

—*South African Opinion*, January, 1937.

Civil Liberties in India

INDIA has fought a hard and bitter struggle to win her civil liberties. Modern India begins in the eighties of the last century with a fight on the issue of equal justice as between the Englishman and the Indian. It was the Ilbert Bill that sought to abolish the preferential justice meted out to Englishmen. The English bureaucracy and the commercial class were alarmed and launched on a violent campaign against the Bill. The Indian people answered by an equally resolute agitation in favour of the Bill and this agitation became the starting point for a sense of political rights in the country. Again, the period of submissive criticism ends and the era of a vigorous nationalism is ushered in with a fight for civil liberties. Post-war India was made to suffer the Rowlatt Act and the denial of all human liberties, Jallianwala Bag and crawling on all fours, that followed in its train. The first mass action that the country carried out to wrest its freedom from British Imperialism was largely inspired by its revolt against the Rowlatt Act and, consequently, the suppression of civil liberties. Since then, there has been no single year when all manner of repressive laws and Acts of the Government have not been a sore point with Indian Nationalism.

In several provinces, security of person and sanctity of dwellings and liberty of movement are practically non-existent. Indefinite detentions without trial, internment, and externment are common in Bengal and the Punjab. The number of Bengal's detenus is computed at over 2000 and, in the

month of July alone, about 40 Socialist workers were home or village interned in the Punjab. It is made a crime, punishable with a sentence of 6 months, for boys of 12 and over to sit and loiter between sunset and sunrise in certain playgrounds, parks and public places of Dacca and Naraingunj in Bengal. Large numbers of young men are not allowed to stir out of their houses between sunset and sunrise all over Bengal. The movements of a still larger number are strictly confined within narrow town limits and they are frequently required to report themselves to the police once a day. In order to travel to Darjeeling, a passport is necessary. In the town and the interior of the Midnapur district, a special police permit is necessary for riding bicycles. General search warrants are issued and warrantless searches are frequently instituted by subordinate police officers in their own judgment. Security of person is further jeopardised by granting large powers to the police of keeping suspects under prolonged custody. All over the country, visitations by the police at odd hours of the night and day and questionings and pestering are becoming alarmingly usual.

During the year 1936, enormous suppression of civil liberties has taken place in the country and there are a number of 'affairs' as great as those of Dreyfus and Tom Mooney to convulse the conscience of the nation. In the beginning of the year, Subhas Chandra Bose was arrested immediately he set his foot on Indian soil and has since been interned in the remote village of Kurseong. Despite repeated demands, the Government refuses to bring him before an open and free court of law. In the last sessions of the Central Legislature, the Government was asked if they shirked the trial, as they had no evidence, to which the Home Member made the eternally silly reply that an open trial was not desirable in the public interest. The cry of public interest has become a convenient smoke-screen under which the Executive lightly tampers with the personal liberties of the people.

There can be no talk, therefore, of a voluntary relaxation of the repressive regime in this country. The police state has come to stay. There is a show of releasing some detenus, mostly on conditions, or training them in industrial centres, but the heavy hand of fresh convictions and detentions, internments and externments knows no rest. Efforts of the Congress and other individuals to enquire into the working of repressive laws have come under the ban of the Government. The Law courts acquit but the executive detains, and so the seeming liberality of justice is fully offset by executive fiats. Only an insistent demand of the people for their civil liberties and an agitation to curtail State-authority can bring about the relaxation of the repressive regime in this country.

India lives today under the shadow of tyranny and what is worse, fear of tyranny. All manner of work, political and social, thought and art wastes and withers away. The Indian Civil Liberties Union is a new comer in the scheme of world defence of Civil Liberties. But its work is vaster than in other countries.

—Rammanohar Lothia, All India Congress Committee, Allahabad.

Daily Herald, London

"See how in four short years I have increased the might of the Fatherland!"

CHRONOLOGY

Highlights of Current History, Feb. 11–Mar. 1(

DOMESTIC

FEBRUARY 11—Auto union and General Motors Corporation officials sign agreement ending strike; "sit-down" strikers leave plants.

FEBRUARY 12—President Roosevelt's special committee on farm tenancy recommends arbitration committees to settle disputes between landlords and tenants.

Work on Navy's six new destroyers and three submarines halted by steel shortage; steel manufacturers opposing Walsh-Healey law refuse to bid on metal needed.

Harry L. Hopkins, W.P.A. Administrator, orders expansion of W.P.A. work to repair flood damage in nine states.

FEBRUARY 13—Senators Glass, Wheeler, denounce President Roosevelt's court reform plan; Senator La Follette defends plan on air.

Martial law established in Anderson, Indiana, after strike riot between union and non-union workers.

John L. Lewis, C. I. O. head, declares steel next objective of C. I. O.

United Textile Workers of America to demand 10% wage increase, union officials say.

FEBRUARY 14—Attorney General Cummings scores "hysteria" on President Roosevelt's court reform plan, in air talk.

135,000 Amalgamated Clothing Workers of America win 12% pay rise under new three-year union contract.

FEBRUARY 15—New Jersey bars "sit-down" strikes; Governor Hoffman warns C. I. O. state will not tolerate "lawless methods and practices" used in Michigan.

Dust storms whip four southwestern states; "dust-bowl" sectors of Colorado, Texas, Oklahoma and Kansas suffer.

FEBRUARY 16—Senate subcommittee recommends Sumners bill for early passage; bill would allow Supreme Court justices to retire at seventy on full pay.

President Roosevelt tells Congress prompt action necessary to cut "evils" of farm tenancy; urges direct Federal action in dealing with problem.

General Motors Corporation files stripped of labor data, officials admit before Senate subcommittee investigating civil liberties.

FEBRUARY 17—Senators Wheeler, of Montana, and Bone of Washington, and Senator Burke of Nebraska, introduce compromise resolutions on President Roosevelt's court reform plan; one bill would give Congress veto power over Supreme Court, the other would require retirement of justices at 75.

President Roosevelt names Paul V. McNutt, of Indianapolis, High Commissioner to Philippines.

Soft-coal miners of United Mine Workers (America demand basic $6 daily wage, 30-hou week, two-week vacation with pay, minimu of 200 days work yearly; also seek action t control effects of increased mechanizatio upon working conditions and employment.

"Dust-bowl" area suffers fourth storm.

FEBRUARY 18—Six killed, ten hurt in gun e: plosion aboard battleship Wyoming.

President Roosevelt confers with Assistant Se retary of Navy Edison in move to end Navy steel shortage.

FEBRUARY 19—Tear gas used as Sheriff seeks t oust "sit 'own" strikers from Fansteel Meta lurgical Corporation plant in North Chicag Illinois; six hurt.

President Roosevelt names Murray W. Latim to succeed John G. Winant on Social Securi Board.

Senator Ashurst, chairman of Judiciary Con mittee, defends President Roosevelt's cou reform plan.

FEBRUARY 20—U. S. Department of Labor as United States Steel Corporation to furnis navy steel under conditions of Walsh-Heal Act; Carnegie-Illinois, an affiliate, agrees t furnish TVA steel under act.

President Roosevelt bars change in court r form plan.

Senate Foreign Relations Committee votes t recommend adoption of Pittman resolutio amending existing neutrality law.

FEBRUARY 21—President Roosevelt's supporte marshal forces to back court reform plan Senator Nye, of North Dakota, assails pla over air.

American Association of Social Workers, i Washington, urges amendment of Social S curity Act for annuity insurance.

H. R. Tolley, Agricultural Adjustment Admi istrator, announces 1937 soil conservation pr gram designed to meet drought or bump conditions; provides for diversified instead (one-crop farming.

FEBRUARY 22—Rollo Ogden, *New York Times* ed tor, dies.

President Roosevelt asks New York State A sembly to ratify Federal Child Labor Amen ment.

Senate Judiciary Committee sets March 9 f hearings on President Roosevelt's court r form plan; votes to report Sumners-McCarra bill.

FEBRUARY 23—Representatives of sixteen railroa unions, in Chicago, demand twenty cen hourly wage increase, work guarantee.

President Roosevelt assured by leaders Hou will approve court reform plan.

House Foreign Affairs Committee approves neutrality resolution vesting wide discretionary powers in President in time of war abroad; will report bill favorably to House.

Douglas aircraft plant, in Santa Monica, California, closed by "sit-down" strike.

Governor Horner, of Illinois, presses parley between union and Fansteel Metallurgical Corporation officials.

FEBRUARY 24—President Roosevelt recommends to Congress creation of provisional authority to operate Bonneville hydro-electric project; approves progress report of National Power Policy Committee urging preference in distribution of electric energy be given to public and rural cooperative interests.

A billion-dollar, four-year, low-rent housing and slum clearing bill introduced in Senate by Senator Wagner, of New York, and in House by Representative Steagell of Alabama; program would ultimately cost tax-payer nothing as Federal loans would be recovered.

Chrysler Corporation, automakers, to confer with United Automobile Workers of America on collective bargaining.

Dr. Francis E. Townsend, old-age pension advocate, convicted of contempt of House of Representatives.

Foes of President Roosevelt's court reform plan begin drive for votes.

Secretaries Swanson and Roper say government may have to open $25,000,000 armor-plate factory built in Charleston, West Virginia, during World War, to get navy steel.

FEBRUARY 25—350 law enforcement officers evict 343 "sit-down" strikers from Douglas aircraft plant in Santa Monica, California.

Senator Borah, of Idaho, proposes constitutional amendment to re-define "due process" clause of Fourteenth Amendment; amendment would give states power to act upon economic and social problems within borders.

Senate passes joint resolution extending until June 12, 1940, powers of President to enter into foreign trade agreements.

FEBRUARY 26—President Roosevelt to make "fireside chat" over radio March 9.

Senate passes Sumners-McCarran Supreme Court Justice Retirement Bill by 76 to 4 vote; bill would allow justices to retire at seventy on full pay.

John S. Farnsworth sentenced to from four to twelve years in prison on peace-time espionage charge.

Tear gas barrage by police and deputy sheriffs routs "sit-down" strikers from Fansteel Metallurgical Corporation plant in North Chicago, Illinois.

William Green, A. F. of L. president, says lay-offs during January, 1937, increased unemployment by 1,001,000.

Georges Bonnet, French Ambassador, presents credentials to President Roosevelt.

FEBRUARY 27—President Roosevelt urges states to pass soil conservation law; sends Governors model law.

Alfred P. Sloan, Jr., General Motors Corporation president, establishes foundation to aid economic research.

FEBRUARY 28—Eugene L. Vidal resigns as director of the Bureau of Air Commerce.

Senators Copeland and George attack President Roosevelt's court reform plan, in air talks.

MARCH 1—U. S. Supreme Court supports gold ban; holds Congressional emergency joint resolution of June, 1933, abrogating payments in gold covers rental contracts specifically based on settlements in gold bullion.

Officials of Carnegie-Illinois Steel Corporation and Steel Workers Organizing Committee, C. I. O. affiliate, confer on wage and working conditions; Bethlehem Steel Corporation, Republic Steel Corporation, Youngstown Sheet and Tube Company, Inland Steel Company, grant pay rise, other concessions.

Senate hears charges organized propaganda being used to sway opinion on President Roosevelt's court reform plan.

President Roosevelt signs Sumners-McCarran Bill; bill to allow justices to retire at seventy on full pay.

Senator Borah, of Idaho, scores Pittman neutrality bill; sees bill bringing war to American shores.

Secretary of Commerce Roper names Frederick D. Fagg, Jr., director of Bureau of Air Commerce.

MARCH 2—Carnegie-Illinois Steel Corporation signs agreement with Steel Workers Organizing Committee, C. I. O. affiliate; agreement covers union recognition, wage increase, eight hour day, forty hour week, time and a half for overtime, no discrimination against union members.

President Roosevelt sends Congress report of his committee to study the N.R.A.; admits seeking similar legislation.

Navy moves to get steel as Carnegie-Illinois Steel Corporation signs union agreement.

MARCH 3—Steel Workers' Organizing committee plans unionization of entire industry; other independent steel companies raise wages.

General Electric Company agrees to confer March 15 with United Electrical and Radio Workers of America, C. I. O. affiliate, on collective bargaining.

Riots mark strike of 2,000 truck drivers in Rhode Island.

Senate passes Pittman neutrality resolution by 63 to 6 vote; resolution would impose strict neutrality in time of war abroad.

U. S. State Department to refuse passports to Americans going to Spain.

MARCH 5—President Roosevelt's speech at Democratic Victory Dinner scored by foes of his court reform plan.

U. S. Government, through Secretary of State Hull, officially voices regret of alleged insults to Hitler by Mayor La Guardia of New York City.

House passes $526,555,000 Naval Supply Bill.

United Automobile Workers of America issue "ultimatum" to Chrysler Corporation, auto makers, on sole collective bargaining demand.

MARCH 6—Six Governors confer with President Roosevelt on relief situation; ask no further cut in relief. Secretary of Treasury Morgen-

thau, Jr., engages in three-power talks on French finances; France to float defense loan.

United Rubber Workers of America demand sole collective bargaining for workers of Firestone Tire and Rubber Company, in Akron, Ohio.

"Sit-down" strikes hold two Chevrolet plants in Flint, Michigan, three hours; protest alleged discharge of five union members.

MARCH 7—Strikers of Bethlehem Steel Corporation plant at Lebanon, Pennsylvania, demand recognition of C. I. O. as sole bargaining agency; want five dollar daily minimum wage.

MARCH 8—"Sit-down" strikes close Detroit plants of Chrysler Corporation, auto makers, and Hudson Motor Car Company; companies reject sole bargaining demands of United Automobile Workers of America; 75,000 auto workers affected.

William Green, A. F. of L. president, announces drive to organize steel fabrication workers.

Labor groups pledge aid to President Roosevelt on his court reform plan.

MARCH 9—President Roosevelt, in "fireside chat," asks nation trust him in court reform plan; will not pack court with "spineless puppets."

Chrysler Corporation, auto makers, firm against "closed shop"; "sit-down" strikers hold plants.

MARCH 10—John L. Lewis, C. I. O. head, announces drive to organize textile, oil and refining workers.

INTERNATIONAL

FEBRUARY 11—Russia and Finland anticipate period of "good neighborhood" following a visit to Moscow of Dr. Rudolf Holsti, Finnish Foreign Minister.

FEBRUARY 13—Reported that France, upon British pressure, will abandon non-intervention policy, ostensibly to end war.

FEBRUARY 14—Russian Chief of General Staff to visit Lithuania, Latvia, and Estonia, to forestall effort to make Baltic a "German lake."

FEBRUARY 15—London informed that loyalist defense weakening; non-intervention committee resolves that naval cordon around Spain comes into effect March 6.

FEBRUARY 16—*Pravda* announces Far Eastern railroad to Vladivostok now double-tracked; Soviet attitude, stiffening towards Japan over frontier incidents and Japanese protection of Manchukuoan "White Guards."

All nations consent to ban volunteers to Spain; Portugal abstains from system of naval control.

FEBRUARY 18—Premier Stanley Baldwin announces Great Britain will push rearmament and work towards new Locarno agreement.

FEBRUARY 21—France anxious for real non-intervention; estimated 12,000 Germans and 50,000 Italians in Spain, against International Brigade of 35,000.

FEBRUARY 21—Ban on volunteers to Spain effective at midnight; Portugal orders nationals in Spain to return within nine months.

FEBRUARY 25—British reported favoring return of Archduke Otto to Austrian throne.

FEBRUARY 26—Russia withdraws from non-intervention patrol scheme, after establishing her right to participate; Portugal abstains; patrolling zones revised.

Czechoslovakian Foreign Minister, Dr. Kamil Krofta, denies Germany plans invasion of Czechoslovakia. Hitler promises to respect Swiss neutrality.

Japan to press for freedom of access to raw materials at League of Nations Conference in March.

MARCH 2—Anthony Eden, British Foreign Secretary, rejects German colonial demands. In Italy, Fascist Grand votes for arms plan to match British rearmament; move hailed by Germany.

MARCH 3—German-French trade talks open at Berlin; French seek five stages—trade agreement, armament agreement, a political pact, accord on raw materials and credits, and agreement on colonies.

MARCH 4—Recruiting of observers and completion of details postpones initiation of non-intervention control: attempt to be made to defer application till March 20th.

MARCH 5—Plot for a Nazi *putsch* in Hungary revealed.

MARCH 8—Patrolling of Spanish borders to commence March 18.

SPANISH CIVIL WAR

FEBRUARY 11—Rebels press drive to cut Madrid-Valencia highway.

FEBRUARY 12—Rebels establish new 10-mile front along Jarama River, southeast of Madrid.

FEBRUARY 14—Rebel cruiser shells Valencia; both sides press fight for control of Madrid-Valencia highway.

FEBRUARY 17—Loyalists launch offensive in Jarama sector, southeast of Madrid; rebels bomb Madrid; begin new offensive in south.

FEBRUARY 18—Fierce fight rages on Jarama River front.

FEBRUARY 19—Loyalists and rebels deadlocked in bitter battle on Jarama River front.

FEBRUARY 20—Loyalists and rebels dig in on Jarama River front; loyalists advance in Jaen Province.

FEBRUARY 21—Loyalists report rebels checked in drive to break through to sea in northeast.

Madrid hails international ban on volunteers.

FEBRUARY 22—Rebels beaten off after seizing section of Madrid-Valencia highway.

Rebels driving to Almeria from Malaga halfway to goal, it is reported.

FEBRUARY 23—Loyalists check new rebel attack directed at Viver, thirty-five miles northwest of Valencia.

FEBRUARY 25—British liner damaged by Spanish mine blast.

FEBRUARY 26—Loyalists press attack on Oviedo; enter northern outskirts of city.

FEBRUARY 27—Rebels shell Madrid.

Loyalists capture Oviedo prison; drive toward center of city.

FEBRUARY 28—Foreign Minister del Vayo says 60,000 Italian troops in Spain.

Loyalists tighten positions in Oviedo.

MARCH 1—Loyalists report victories at Toledo, Oviedo; Madrid front quiet.

MARCH 3—Report Loyalist gain at Toledo in bitter fighting; Madrid front quiet.

MARCH 5—Loyalists report rebels in Oviedo isolated in cathedral.

Madrid embassies put on bread ration.

MARCH 6—Loyalists repulse rebel attack in El Pardo sector, northwest of Madrid.

MARCH 7—Spanish cabinet backs Premier Largo Caballero; all parties in cabinet agree to accept his leadership.

MARCH 8—Rebels report sinking of Mar Cantabrico, en route from New York to Spain with loyalist war supplies; ship sailed from New York on eve of new neutrality law.

MARCH 10—Rebels launch heavy attack on Guadalajara front, northeast of Madrid.

FOREIGN

Austria

FEBRUARY 13 — Chancellor Kurt Schuschnigg's newspaper declares restoration of Hapsburgs a possibility.

FEBRUARY 14 — Chancellor Schuschnigg claims right to decide on restoration.

FEBRUARY 22—Riots between Fatherland Front and Nazis mark Vienna arrival of Baron Constantin von Neurath, German Foreign Minister.

FEBRUARY 23—Eighty thousand members of Patriotic Front demonstrate against Nazis.

Canada

FEBRUARY 15—Premier King, in answer to Socialist opposition, denies any war commitments between Canadian and British Governments.

FEBRUARY 20—House of Commons votes increase in defense appropriations; Premier Mackenzie King states Canada must be prepared to defend her own coasts.

FEBRUARY 25—British obtain additional tariff preferences amounting to $6,000,000 in new pact; Canada guaranteed continued free entry on $250,000,000 worth of exports. With no increases in taxation and downward revision of tariff schedule, Finance Minister Charles Dunning budgets for deficit of only $35,000,000 for 1937–38.

FEBRUARY 26—Government officials announce intention of seeking more trade with United States.

FEBRUARY 28—Premier Aberhart of Alberta admits failure to establish Social Credit.

China

FEBRUARY 14—Chiang Kai-shek returns to Nanking to shape Kuomintang policies.

FEBRUARY 20—Kuomintang will bury hatchet with Communists if latter agree to government supervision of army, dissolution of Soviet districts, and suspension of class war.

Ethiopia

FEBRUARY 20—Ethiopians bomb Italian officials; Viceroy Graziani hurt.

FEBRUARY 21—Two thousand Ethiopians arrested for questioning on bombing incident.

FEBRUARY 23—Army of 3,000 Ethiopians, allegedly planning attack on Addis Ababa, virtually annihilated by Italians.

FEBRUARY 25—Italians execute Ras Desta Demtu, son-in-law of Haile Selassie and prospective Ethiopian representative at Coronation of King George VI; claim conquest of Ethiopia complete.

Finland

FEBRUARY 15—Kyosti Kallio elected President; vote a Labor-Agrarian victory; new president favors friendly relations with Russia.

France

FEBRUARY 18—Chamber of Deputies passes bill abrogating gold clause in international contracts by 385–195.

FEBRUARY 20—Minister of Economics sees curb on rising prices as main task of French Government.

FEBRUARY 21—Premier Boum promises "breathing space" in social legislation, but declares that his program will not be abandoned.

FEBRUARY 26—Premier defeats heavy attack in Chamber of Deputies led by ex-Premier Pierre-Etienne Flandin; vote 362–211 in favor of Government.

MARCH 5—Government announces that national defense loan will be paid abroad in gold on demand.

Germany

FEBRUARY 13—Reichsbank placed directly under Chancellor Hitler's authority, and railways placed under Minister of Transportation.

FEBRUARY 14—Cardinal von Faulhasar accuses Nazis of breaking concordat signed with Vatican in July, 1933.

FEBRUARY 18—January exports 9% below record December figure, but trade balance maintained by stringent curbs on imports.

FEBRUARY 20—Chancellor Hitler warns auto industry that it must be made independent of imports.

FEBRUARY 23—Arms workers to be organized within Labor Front; Field Marshal Werner von Blomberg warns them against disclosing military secrets. Government announces new 500,000,000-mark loan.

FEBRUARY 28—Government plans new export drive to sell "for cash instead of for kind."

MARCH 4—Secret debt, composed of "labor creation bills," advance tax certificates and other instruments for financing building and rearmament, estimated at 20–25 billion marks.

MARCH 5—*Koehnische Zeitung* announces Germany must purchase abroad 3,500,000 tons of grain this year.

Great Britain

FEBRUARY 11—Neville Chamberlain, Chancellor of the Exchequer, announces defense expenditures to £400,000,000 over period of five years, in addition to £1,000,000,000 now being spent at rate of £200,000,000 a year.

FEBRUARY 16—Government announces immense naval construction program as first installment of £1,500,000,000 rearmament program.

FEBRUARY 18—£600,000,000 of £1,500,000,000 rearmament cost to go to Navy, to match power of German and Italian fleets and to create new Pacific fleet.

FEBRUARY 25—Sir John Simon, Home Secretary, announces that British factories are producing 100,000 gas masks a day.

MARCH 1—Government to subsidize industries in depressed areas.

MARCH 3—New naval estimates call for expenditure of £105,065,000 in 1937–38—twice normal annual outlay when Washington Treaty was effective.

MARCH 4—Labor repeats victory in London municipal elections. Army estimates amount to £82,174,000, highest since 1922.

MARCH 5—Air estimates for 1937–8, £82,500,000; minimum estimates for expenditures on three services during year, £277,800,000.

India

FEBRUARY 11—Polling for provincial assemblies completed in seven provinces; Congress Party more successful than anticipated, except in Punjab and Northwest Frontier provinces.

FEBRUARY 17—Congress Party wins outright control of three out of eight provincial legislatures.

FEBRUARY 21—Congress Party holds 450 of 1,585 seats in lower chamber of provincial legislatures; results unannounced for 429 seats; obstacle to British federal plan seen.

FEBRUARY 24—Twenty-seven out of 31 Congress Party candidates successful in elections for Madras Legislative Council.

MARCH 2—Severe test seen for federation plans with Congress (independence) Party in control of 6 out of 11 provinces.

Japan

FEBRUARY 12—New Cabinet, confronted by popular protests against taxation, cuts 1937–8 budget; defense expenditures reduced, but are still 49.2% of the total.

FEBRUARY 13—Army reported planning new party of extreme Right and subservient to War Office.

FEBRUARY 14—Premier Hayashi invites China and Soviet Russia to enter into more cordial relations with Japan, pledges himself to constitutional government.

FEBRUARY 15—Parties criticize Government for not including their representatives and for military expenditures.

FEBRUARY 17—Army under attack in Diet.

FEBRUARY 21—Better cultural and economic relations with China to be sought as prelude to formation of Japanese-Manchukuo Chinese bloc.

FEBRUARY 22—Armament program defended answer to expansion of Soviet forces in] East.

FEBRUARY 28—Fascistic young naval officers str on Nippon Yusen Kaisha Line as prot against lack of respect for Emperor.

MARCH 8—Foreign Minister Naotake Sato c cedes China equality with Japan; new pol taken as admission of failure of former J anese policy.

Mexico

FEBRUARY 11—More than 20,000 Catholics t possession of 11 churches in State of V Cruz despite Leftist orders to close them.

FEBRUARY 12—Anti-church laws relaxed in f of growing revolt in Vera Cruz. Governor Vera Cruz allows churches to open, but p hibits holding of services.

FEBRUARY 14—Catholics and Protestants worsl unhindered in Vera Cruz churches, althou no masses are celebrated.

FEBRUARY 18—President Cardenas confers w Governor of Vera Cruz to reach decision status of Catholic Churches.

FEBRUARY 19—Confederation of Workers of M ico (C.T.M.) opposes conciliation betw Church and State.

FEBRUARY 20—Government to extend activities oil production, gradually to eliminate fore companies, and eventually to control ent output.

MARCH 2—Special decree makes President Laz Cardenas dictator of oil industry.

Poland

FEBRUARY 11—Government's program for politi reorganization envisages authoritarian, o party State under leadership of Marshal] ward Rydz-Smigly.

MARCH 1—Colonel Adam Koc launches new G ernment Party, the "Camp of National Unit

Rumania

FEBRUARY 11—Iron Guard holds large dem strations at funeral of two members kil fighting for Spanish rebels.

FEBRUARY 15—King George objects to foreign d lomats attending Iron Guard funerals, poses Cabinet's lax treatment of fascis Premier Tatarescu reported to have resign

FEBRUARY 16—German and Italian Ministers, w attended Iron Guard funerals, recalled in d erence to Rumanian protests.

FEBRUARY 23—Two Cabinet Ministers deprived portfolios for weakness towards Fascists.

Russia

FEBRUARY 19—G. K. Grdjonikidze, Commissar Heavy Industry and member of Politi Bureau, dies.

FEBRUARY 25—Valery Ivanovitch Mezhlank, ad cate of American industrial methods, pointed Commissar of Heavy Industry.

MARCH 5—Communist Party reform introdu secret direct voting for lower officials.

MARCH 6—Jump in birth rate exceeds expec tions; facilities inadequate.

This Month's
CURRENT HISTORY

The Committee for Industrial Organization has changed the face of American labor relations. The sit-down strike has baffled employers, perplexed the authorities, and bewildered the public. The new labor organization and this new technique have ushered in a painful period of transition in the affairs of industry. *Labor Marches, Sitting Down*, prepared by the editors, surveys these new forces and their impact upon the A.F. of L., the employers, the law, and the public.

History will record the defense of Madrid among the heroics of all time. *I Lived in Madrid* is a first-hand account, which has the additional virtue of having been written out of reach of the censor's blue pencil. **Lester Ziffren,** the author, has been with the United Press for ten years, and beat the world with the first news of the uprising in Spanish Morocco which became the Spanish war of today.

When Mr. Joseph E. Davies was appointed American Ambassador to Moscow, a howl went up from all quarters. Was Mr. Roosevelt deliberately insulting Russia's "great experiment" by sending over one who was renowned, not only as a capitalist of the highest order, but as a devotee of the art of "conspicuous consumption"? And, as the shipments of ice-cream for the sustenance of the Davies household amid the barbarities of Moscow went over, the wonder increased. Or was it just one of Mr. Roosevelt's little jokes. **Eugene Lyons,** for six years a United Press correspondent in Russia, in *Moscow Likes Millionaires*, tells why Mr. Roosevelt appointed Mr. Davies and why he was right.

The problem of the farm tenant began to seep through to the national consciousness through Erskine Caldwell and *Tobacco Road*, but only recently has it received the attention it deserves in the field of politics as an acute problem of national and not merely local significance. In *The American Peasant*, **Wayne Gard,** editorial writer for the *Dallas News*, lays it out for public inspection and explains what is being done about it all.

The Fascist International has grown up to overshadow its Communist counterpart. War or peace depend upon Hitler and Mussolini, upon what they intend to do, upon whether they will stick together or whether they will fall out over the spoils. In the March *Current History*, Lawrence A. Fernsworth discussed their plans and prospects in Spain. In *Calling the Fascist Bluff*, ***G. E. R.* Gedye** considers their common aims and their rivalries in Southeastern Europe and, stripping away the generous coating of bombast from their professions, reveals a large hunk of knackwurst. He incidentally retails an interesting anecdote as to how Soviet Russia keeps a tab on Nazi Germany. Mr. Gedye is *The New York Times* correspondent for Central and Southeastern Europe.

French reactionaries pin their hopes on the dynamic ex-Communist Mayor of St. Denis, Jacques Doriot. **L. F. Gittler,** formerly a research assistant at the University of Chicago, has spent four out of the last five years in Europe, during which, among other things, he edited the American weekly in Berlin and attended the Nazi political school studying propaganda techniques. He was present at the launching of the French Popular Party and, in *France Finds a Huey Long*, he gives a vivid account of that event and of the party's extraordinary "*chef*."

One Sunday we listened to a short-wave broadcast from Europe. The set was tuned in on the dulcet tones of an English vicar preaching to a handful of yokels in a country church; one could almost see the cows lazily chewing peaceful cuds, and smell the buttercups and clover. A slight turn of the dial, and there thundered through the fierce roar of a Nazi religious festival which, with its throaty songs and primitive surge, conjured up Thor and Odin. That twist of the dial carried the listener, not over a few hundred miles, but over a few thousand years. **Curt L. Heymann,** a member of the editorial staff of *The New York Times*, describes this strange Nazi religion in *The German God*.

As the Supreme Court issue rages, protagonists of either side invoke the gods of the past to lend substance to their articles. Thomas Jefferson has been quoted with more enthusiasm than accuracy on both sides of the political fence. In *Jeffersonian Democracy*, **Herbert Harris** analyses the attitude which this statesman would really have taken.

The Council of the League of Nations is expected to meet on April 12. It will discuss many issues, but one in particular it will have to face—the question of reforming the League. A committee has been sitting and sifting out the medley of proposals; **Francis O. Wilcox** outlines these in *Geneva's Future*. Mr. Wilcox is eminently qualified to cover this subject, having studied in Geneva in 1933, 1934, and 1935.

Fifteen billion dollars a year is *The Cost of Crime* to the American people, and the anti-crime forces outnumber the standing army. **E. C. MacDowell, Jr.,** lays bare the present crime situation.

On April 1, the new Indian Constitution comes into effect. One result of this will be that India and Burma will dissolve a hundred years' union. **John L. Christian,** who spent seven years in Burma and who has more recently been a member of the department of political science at Stanford University, describes the significance of the separation and the land which is better known to most as the inspiration of the song "On the Road to Mandalay" in *Burma Divorces India*.

T R A V E L

Where History Is in the Maki

CORONATIONS exemplify the biblical adage that there is nothing new under the sun. When George VI rides through the streets of London and acknowledges the cheers of the people of his empire on May 12, the ceremony will differ very little from the crowd that greeted Jehoida in the City of David. Coronation ceremonies did not originate, as is popularly thought, with the age of chivalry; they date back to the very beginnings of civilization. In the *Iliad*, for example, we learn of the investiture of Agamemnon with the sacred sceptre. And in the Book of Kings, we read about the elaborate coronation procession of Solomon, who rode a mule to Gihon where Zadok, a high-priest, anointed him with oil.

While the basic principles of the British coronations have remained unchanged from the time of the Anglo-Saxon kings of Mercia, the ceremony has evolved through a number of stages, or rescensions. There is little record of religious rites at the coronation, for example, of the Anglo-Saxon kings, and Edgar (973 A.D.) is believed to be the first English king whose coronation included the singing of Mass. Thereafter, the religious ceremony played a greater and greater part in the British coronations until it actually became the central and dominating theme. By the twelfth century the litany and the religious ceremony of anointing became established services. An Order of Morning Prayer was introduced at the coronation of William and Mary, and the Bible was presented for the first time to the new ruler along with the crown, sceptres, and other royal objects.

The Coronation of King George VI, in a religious and patriotic sense, will have few modifications from that of William and Mary. The highest ecclesiastical dignitaries in England will conduct the service in much the same way, using the *Liber Regalis* as their guide for the ceremonials. And the people will line the streets of the royal procession, both to and from the crowning at Westminster Abbey and shout and swear their fealty and holy devotion. There will be praying cheering. The only difference—and th portant difference—is that William and ruled as well as reigned: George VI's power is that of a symbol; the Cro greater than any of its heads and the e

KING GEORGE VI

is bound together not by the personali greatness of its ruler but by the traditi royalty.

Westminster Abbey, as it has been William the Conqueror, will be the sce the crowning. This is the temple that r the stability and entire history of the B Empire. Within its walls are buried 14 ereigns (George V was the last) an Queens. The Abbey will be filled by thousand persons of royal and lesser many of whom will have arrived as as 5 A.M. to await the arrival of the procession.

The King and Queen will start out

Buckingham Palace about 9.30 A.M. in the royal carriage, which is 24 feet long and weighs four tons. The route to the Abbey and back is twice as long as that traversed by King George V and Queen Mary in 1911. The procession is taking a circuitous route of six and a half miles to accommodate the many millions of citizens and visitors who will have sardined their way into London to see the Coronation. Britain's leading architects have been working continuously for almost a year in planning the street stands, decorations, and illuminations. Buildings along the coronation route, greyed by fog and age, will be cleaned and repainted.

Inside the Abbey, the Coronation, according to one English writer, will be like a "vast living jewelled cross." Members of the diplomatic corps are resplendent in gold and blue. Peers and peeresses are in full regalia (the average robe for a peeress costs $900), and the high Ministers of State, Dominions, and Colonies are royally robed. The procession arrives at the Abbey and the King, preceded by dozens of titled dignitaries, appears under a canopy of gold supported by 16 barons of the Cinque Ports.

The first part of the service, called the Recognition, is the "popular election to the Throne." The Archbishop of Canterbury, most prominent figure at the Coronation outside of the King and Queen, presents the King to the people with these words: "I here present unto you George, the undoubted King of the realm." In answer, the people shout, "God save the King." This is repeated several times as the King faces, in turn, north, east, west, and south. The Archbishop then inquires whether His Majesty is willing to take the oath. This oath, incidentally, has been amended under the Coronation Oath Act recently to give the Dominions equal status, but it is virtually the same as that taken by the Saxon and Norman Kings, the Plantagenets, the Tudors, and the Stuarts, its terms being settled by the revolution of 1688.

Following the oath, the Litany is sung and the King iterates the Oath which he swore in the presence of the Privy Council at his accession and kisses the Bible. The anointing takes place shortly later. The King receives the sword and sceptre as emblems of the Chief

Drawn by J. MacA Smiley. Courtesy Thos. Cook &

ROUTE OF THE CORONATION PROCESSION

Starting at Buckingham Palace, the procession passes along the Mall, Admiralty Arch, Trafalgar Square, Whitehall, Parliament Street, St. Margaret's Street, Broad Sanctuary, and the west entrance of Westminster Abbey. Returning, the procession takes the route along the Broad Sanctuary, Bridge Street, Victoria Embankment, Northumberland Avenue, Trafalgar Square, Cockspur Street, Pall Mall, St. James' Street, Piccadilly, Piccadilly Circus, Oxford Street, Marble Arch, E Carriage Road in Hyde Park, Hyde Park Corner, St. Geor Hospital, Constitution Hill, and Buckingham Palace. A gether, the procession route is six and one quarter miles. will be observed from the chart, the return journey has b greatly extended over the trip to the Abbey, two miles hav been added to the route of the procession.

Magistrate. The Ruby Ring, which weds the King to his country, is placed on his fourth finger by the Archbishop of Canterbury.

The most impressive ceremony of the coronation is the crowning, which is done in the chair of St. Edward. This chair has seated the Monarchs of England for more than six hundred years at the coronation ceremonies. Even Cromwell, when installed as Lord Protector, bowed to tradition, and had the chair brought over from the Abbey at his induction exercises in Westminster Hall. The chair itself is made of hard and solid oak, but there is hardly a square inch of its surface that is not marred by the carved initials of thousands of visitors who have taken advantage of the unprotected position of the chair down through the centuries to identify themselves, if only in an abbreviated way, with the royalty of the British Empire. Beneath the seat is the sacred and legendary "Stone of Scone," about two feet long and several inches thick. This stone, of dull reddish sandstone, was found by King Kenneth of Scotland, and preserved in the Augustinian Abbey of Scone—a village in Perthshire. King Edward I carried off the stone in 1297 in his attempt to annex Scotland and had a special chair made to enclose it. The legend prevails that this was the stone used as a pillow by Jacob at Bethel when he dreamed of the ladder that reached to Heaven.

The Crown is named after Edward the Confessor, who inherited the original model from Alfred the Great. Each King down to Charles I wore Edward's crown until it was lost in the confusion attending the establishment of the Commonwealth. A reproduction was made, following as closely as possible the old pattern, and has retained the old name. George VI, like his predecessors, will have three crowns. In addition to the Crown of St. Edward's, which is the coronation crown, there is the Imperial State Crown which contains some of the most valuable jewels in the world, one of which is the famous Star of Africa diamond. This crown is considered to be the most valuable in the world. The third crown is the Imperial Crown of India, the value of which has been estimated at $300,000.

The King, unlike the Czars of Russia who crowned themselves because they did not be-

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lieve any mortal worthy of the honor, is crowned by the Archbishop of Canterbury, who places the three-and-a-half pound jewelled circlet on the head of the new monarch. This is the signal for the release of the tension that has been stored up all through the two-hour ceremony and the "theatre" of the Abbey is thrown into a blaze of light and sparkle. Trumpets blare, and outside the cannons and massed guns thunder the news that a new King has been crowned. The cries of "God Save the King" from thousands of throats are merged into an almost indistinguishable and continuous roar.

The ceremony is completed with the two benedictions by the Archbishop of Canterbury while the King kneels with a sceptre in each hand. Both sceptres are made of gold and the colored stones are set off by rings of blue enamel which encircle the shaft.

The benediction is followed by the "throning," in which the King is lifted into the throne by the Prelates and Peers while the Archbishop says: "Stand firm and hold fast the seat and state of royal and imperial dignity." The Princes of Royal Blood, led by the Prince of Wales, thereupon follow the Archbishop in paying homage to the King. This ceremony consists in kneeling at the feet of the King, swearing fealty and rising and kissing the Monarch on his left cheek. Others taking part in the homage are the Peers, rank by rank: Dukes, Marquises, Earls, Viscounts and Barons. Members of the Commons have no part in the homage for the ceremony was originated when the people had no political voice.

In making his oblation to the Church which follows the homage, the Kings lays aside his crown, and makes his offering of "bread and wine, a pall or altar cloth, and an ingot of gold the weight of one pound." He then assumes the Crown of State and walks to the chapel of St. Edward the Confessor where he is disrobed of his Imperial Mantle and assumes another robe of purple velvet.

The ride back to Buckingham Palace is the highlight of the day. All along the new route will be cheering and shouting humanity who have come from all over the world to witness an event which seldom happens more than twice in a lifetime.

HERE AND THERE

THE last section of the Cervena Skala-Margecany Railway in Czechoslovakia is open for traffic. This completes the second east-to-west route through the country and is about sixty-two miles shorter than the more northerly Bohymin-Kosice line.

A superintendent of one of the nation's largest steamship lines recently observed that 25 percent of our feminine voyagers have breakfast in bed; that the men generally prefer to get up; that when lobster is on the menu the chef knows that 90 percent of the passengers will order it; and that dishes from the grill are steady favorites.

The *Telemaque*, which sailed secretly from Rouen on January 3, 1790, during the French Revolution, bound for England, and was sunk off Quilleboeuf as the result of a gale, is to be raised. Queen Marie Antoinette's famous diamond necklace, cause of a historic scandal, is believed to be among the treasures contained in the hold. The treasure is held to be between $40,000,000 and $50,000,000.

One of the musical events of the Coronation celebration will be the Three Choirs Festival to be held at Gloucester from September 5 to 10. Around ancient Gloucester is some of England's most beautiful scenery. Nearby is Tewkesbury, famed for its great abbey church, half-timbered houses and quaint inns. Close at hand are Chepstow, Tintern and the Wye Valley, and Cotswold with its wooded slopes, its old-world townships and greystone manors.

A fountain 100 feet high, spouting wine instead of water, will be one of the sights awaiting visitors at the Paris International Exposition opening May first. The wine spout will be a revival of the ancient custom by the French wine-growers who are ordering 10,000 glasses for the benefit of those who wish to drink the glowing liquid as it bubbles out of the fount. Half a hundred nations, including the United States, will participate in the Exposition.

The World in Books

(*Continued from page* 13)

these two works combine to provide the most comprehensive and authoritative studies of the South ever published anywhere.

During the course of their development, certain presses have won high distinction for their work in special fields. Oxford, for example, even with its outstanding achievements in all fields of non-fiction, is known as the world's greatest Bible publishing house. The record of Cambridge, too, in non-fiction rates among the world's best, yet its leadership in the publication of text books has identified it most closely with that publishing field. Johns Hopkins' scientific works have been outstanding and Chicago has always been known for its strong sociological and religious lists. Oklahoma, North Carolina, California, Stanford, Pennsylvania, Minnesota, and Louisiana have excelled in publishing works on the regions they represent. Oklahoma's primary aim is to reflect the intellectual richness of the state and the Southwest, of which it is a part. North Carolina's service to the South is a matter of record, and Pennsylvania's list emphasizes State history and biography.

Yet each of the presses maintaining leadership in regional publications has enhanced its work in other branches of the non-fiction field. Oklahoma occasionally publishes books dealing with the national scene; its recent *Democracy and the Supreme Court* by Professor Robert K. Carr covered all the ground, concisely and clearly, that a person needed for a thorough understanding of the new national issue. Minnesota's spring list contains three new titles in the Day and Hour Series of interest to students of current affairs. Louisiana has just published Pierre Crabitès' *Unhappy Spain*, a timely and analytical study which places the real issues of the Spanish conflict in broad daylight.

University press publications have always excelled in format and printing. Bruce Rogers, eminent book designer and printing expert, has often served as consultant to university presses. In each year since the inauguration of the competition sponsored by the American Institute of Graphic Arts, university books have been well-represented on the list of the "Fifty Books of the Year." Yale University, for example, has had one or more of its publications included on every one of these yearly lists. Princeton has published books containing quantities of French, German, Spanish, Turkish, Arabic, Lithuanian, Greek, Latin, and Italian, all set in its own shop. Since 1904, when it won the grand prize at the St. Louis World's Fair, the University of Chicago Press has had many other awards for beautiful book-making. In addition to a number of rare types available nowhere else in the country, Chicago publishes books and articles in Egyptian hieroglyphics, Arabic, Ethiopic, Coptic, Nestorian Syriac, Greek, Hebrew, Russian, German, and Schwabacher (modernized German). California is believed to have a greater number of special characters for works dealing in phonetics and all European languages than in any other printing office west of Chicago. One of California's primary publishing objectives is to "set a high standard of dignified good printing." The press at Oxford contains one of the finest collections of type in the world, including the unique Fell type. With 550 fonts in 150 characters, Oxford's alphabets range from the prehistoric Minoan (cast to record Sir Arthur Evans' discoveries) to the

phonetic scripts of Sweet and Passy, and include Sanskrit, Greek, Roman Hebrew, Arabic Syriac, Ethiopic, Amharic, Coptic, Armenian, Chinese, Tibetan, Burmese, Singhalese, Tamil, Gothic, and Cyrillic.

What may prove to be a new stage in the development of the university begins this spring with the publication by Cambridge of the novel, *A Cardinal of the Medici*, by Mrs. Hicks Beach. This marks a new phase in the career of the 400-year-old English publishing house and it is certain that other university presses will watch closely the reception of this work of historical fiction by the public. The current trend toward dramatization and popularization of history may not be transitory and it is not improbable that there will be serious consideration of the effectiveness of imparting historical information through the medium of the novel.

Current University Books

Of great significance on the lists of university spring publications is the *Armaments Year Book, 1936*, the first work published by the Columbia University Press in connection with its new department, the International Documents Service. This department was established late last year when the press took over the American agency for the publications of the League of Nations, the Permanent Court of International Justice, and the International Institute of Intellectual Co-operation, a list of 7,000 titles.

The *Year-Book* needs no introduction; it is an indispensable reference document for students of world affairs. And despite the secretive nature of contemporary armaments preparation, the work is invaluable for the factual base it presents for use in inductive computation.

In *Cabinet Government*, published by Cambridge University Press through the Macmillan Company, W. Ivor Jennings traces the development of the executive phase of the British Constitution. With great research, Mr. Jennings, himself a constitutional lawyer, has penetrated clear through the heavy layers of uncertainty and obscurity which have hidden the most important functions of the English cabinet system, brought them into clear, sharp focus. Th proceeds slowly, his step-by-step approa ing the ground for his conclusions, wh that His Majesty's government in t broadly speaking, has been subservien will of the people. Mr. Jennings has job well and with caution.

For those who are hazy concerning glories of Texas it will be no small su learn that the great state of the South a navy. More than that: Texas' navy gaged in several maritime combats. The stances, in all their Ripleyesque richness, veyed by Jim Dan Hill in *The Texas Nav* spring list of Chicago University Pr navies went, even in those days, the Te was something less than awe-inspiring. Hill has rescued the fleet from obscurit should please those good Texans proud heritage, and enlighten, perhaps entertair

Expansionists of 1898, by Professor J Pratt, consist of lectures given by Dr. the Walter Hines Page School of Inte Relations, Johns Hopkins University, wh published the work. In detail and wi mendable clarity, Dr. Pratt examines t rialistic movement in this country during decade of the nineteenth century, with emphasis upon the annexation of Haw book is valuable for any mature consi of the history of imperialism in this cou important phase of which was the acqui Hawaii.

In *Western Civilization in the Near E* Kohn continues his exploration of the tw of nationalism and imperialism which profitably engaged his attention in earlie The present study, published by the C University Press, represents the localiz the impact of European imperialism on European world and restates to a certai the ground already ably covered. The tion of this restatement seems to be that close-up of the play of world forces in t East which brings out detail peculiarly tant to us at this time. This work draws the various aspects of the interrelatio Europe and the Near East in a syster accumulated sum-total of physical envi historic development, and modern tec Fortunately, the author throws his major sis upon the least-worked material in th of communications and economics, and t force of material change.

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The only trouble is, he frequently fails to realize his own strength. He allows himself to be bullied, led, and tricked, and when he realizes it, is inclined to say: "But what can *I* do about it?"

Take, for instance, this absurd business of war. He doesn't want war. He doesn't want to give up his job, leave his wife and youngsters, *live* like an animal in trenches, and be *shot at* like an animal by Average Citizens of another country.

Yet he *does* all this. He fights wars created by Far-from-Average Citizens who do *not* give up their jobs, do *not* leave their wives and youngsters, do *not* get shot at.

Peace is something to fight for: war is something to fight against. So, Mr. Average Citizen, wield that tremendous power of yours! Let jingoistic politicians, big-navy lobbies, war-fomenting papers, feel the might of your wrath.

What To Do About It

Today with talk of another war heard everywhere, millions of Americans stand firm in their determination that the folly of 1914–1918 shall not occur again. WORLD PEACEWAYS is a non-profit organization for public enlightenment on international affairs. Your cooperation is needed to extend its campaign, of which this advertisement is a part, into every corner of the world. Send your inquiry today to WORLD PEACEWAYS, 103 Park Avenue, New York City.

SUPREME COURT MUDDLE—*M. E. Tracy*

AY, 1937 PRICE 25 CENTS

As Britain Crowns a King

By S. K. Ratcliffe

50,000 GAMMAS

IVIDE this drop into 50,000 parts. Each part is a gamma—1/28,329,000 ounce. Yet in such tiny units research iists find the secrets of long life and ent operation of electric machinery refrigerators and electric clocks, mps as small as a grain of wheat, and turbines that supply electric power whole city.

iear of oil, a chip of metal, a scarcely le film on a polished surface—these lues to improved designs. Working drops on a microscope slide, General ric scientists are able to detect even tle as 1/1,000,000,000 ounce of im- purity. And so, in the Research Labor tory, in Schenectady, they check and e amine, contributing of their skill a experience to the final perfection of t finished machine.

Scientific research requires attention tc thousand details, patience to carry c innumerable experiments, clear und standing of the fundamental princip of nature. And the results of this pai taking research in the world of the v small are longer life and lower cost operation in the manufactured produ that you use

G-E research has saved the public from ten to one hundred dollars for every dollar it has earned for General Electric

CURRENT HISTORY

MAY 1937

ARTICLES

FEATURES

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SPRING PARADE OF NON-FICTION

N. B. COUSINS
Literary Editor

THE WORLD IN BOOKS

Books Reviewed in This Issue

BOOK	AUTHOR	PUBLISHER	PRICE
Our Gallant Madness	Frederick Palmer	Doubleday, Doran	$2.50
Claude Kitchin and the Wilson War Policies	Alex M. Arnett	Little, Brown	3.00
The Private Manufacture of Armaments	Philip Noel-Baker	Oxford University Press	3.75
Lord Grey of Fallodon	George M. Trevelyan	Houghton, Mifflin	3.75
Dusk of Empire	Wythe Williams	Scribners	3.00
The Fascist: His State and His Mind	E. B. Ashton	Morrow	2.50
The Making of the Constitution	Charles Warren	Houghton, Mifflin	3.75
The Supreme Court Issue and the Constitution	William R. Barnes A. W. Littlefield	Barnes and Noble	1.00
Supreme Court or Political Puppets?	David Lawrence	Appleton-Century	.50
A History of American Political Thought	Edward R. Lewis	Macmillan	5.00
The West in American History	Dan E. Clark	Crowell	3.50
Palestine at the Crossroads	Ladislas Farago	Putnam	3.50
Can China Survive?	Hallett Abend Anthony J. Billingham	Ives Washburn	3.00
A History of the Far East	Harold M. Vinacke	Crofts	6.00

(*An additional listing of important spring books begins on page 125*)

THERE are several reminders on the list of spring non-fiction books that exactly twenty years ago the United States allowed itself to be bandwagoned into what some members of the clergy have termed a large scale murder competition. Those were the days when Congress ordered huge numbers of youth who had been taught to respect law, life, and order to overlook such niceties for the moment and become professional killers. And these are the days whose events and human history are now recalled by Frederick Palmer in *Our Gallant Madness* and by Alex Mathews Arnett in *Claude Kitchin and the Wilson War Policies*, and whose implications are analyzed by Philip Noel-Baker in *The Private Manufacture of Armaments.*

If, in retrospect, some still believe that the United States was justified in marching off to war in 1917, the suggestion is made that these three books be made compulsory reading. Combined, they form a formidable farewell-to-war library whose arguments must remain unanswered on any grounds save the hot cellars of Hades.

Colonel Palmer, chief of the American press division during '17 and '18, has not written *Our Gallant Madness* in the dawn's early light nor in the rocket's red glare. He is a soldier, but his first allegiance is to human rights; war is neither necessary nor unavoidable, and murder on the battlefield is no less shocking a crime than anywhere else.

But what about our people—did the millions of doughboys, volunteered and conscripted, think of war in this sense? Were they not aware, as we now claim they should have been, that the declaration of war was ignited by the sparks of a

grinding axe? Could they not foresee that the war would not save the world for democracy and that twenty years later would find the menace of a strange new political pattern, called fascism, which had the peculiar conception of the modern state as an instrument of oppression and regimentation, sustaining itself through the use of the mailed fist and draining its economic blood for armament manufacture?

These questions hardly entered the public mind in 1917. In fact, as Colonel Palmer recalls, few people thought of the war in terms of American soldiers actually fighting it out in Europe. All that was needed were a few cruisers to keep the strategic zones clear of German submarines. We were not a member of the "Allies"—merely one of their "associates". We would wage war against Germany in an economic way, furnishing the Allies with money and supplies. But as for flesh-and-blood combat on the other side of the Atlantic—unthinkable! Senator Thomas S. Martin, of the Senate Finance Committee, hearing that the Army wanted three billions of dollars to equip and arm a million men, leaned forward and exclaimed:

"Good Lord! You aren't going to send soldiers over there, are you?"

But we did, and American soldiers who had enlisted in the belief that the United States w be invaded and that Germany would be cru in the passes of the Alleghenies found thems on the way to France and trenches where meant mud and filth and guns and gas and d It was war—real war—and the nation sucke breath in horror with the realization that and not merely money and supplies, were ne to win the fight.

The first weeks of the war, Mr. Palmer w found Washington spilling over with enthusi citizens and amateur strategists who had fire schemes to win the war in a hurry. A gation of firemen begged to be allowed to engines and hoses to the front so that the mans could be flooded right out of the tren and into the open! Somebody else wante squash the Germans by dropping lead fron sky. A self-styled inventive genius conceive idea of motorless airplanes run by perpetual tion; all the government had to do was to dis perpetual motion—he would do the rest. I trial magnates with six-digit salaries ra Washington to accept one-dollar-a-year posts bristled all over the capital fit to burst wit importance.

Confusion? Madness? Perhaps. Yet was something strangely magnificent about i

Colonel Palmer believes, appropriately calling it *Our Gallant Madness*. Our participation was not gallant in the sense that war, itself, is noble; it is gallant in the sense that a people were sincere in their sacrifice and had faith in the slogan for which war had been declared.

Claude Kitchin

But that declaration would never have been made had the nation listened to Claude Kitchin, war-time Democratic leader of the House of Representatives. The Congressman from North Carolina, Mr. Arnett tells us in *Claude Kitchin and the Wilson War Policies*, was as inflexible as flint in his opposition to participation in the World War. When Wilson sought re-election on the platform that he kept us out of war, Kitchin shouted that the President had done everything but actually push us into the mess during his first administration. He believed that Wilson's sympathies were with the Allies from the start, and feared that the President was "going to watch for the first opportunity to strike at Germany, plunge this nation into war, and make a slaughter-house of the whole world."

And when the nation slowly began its drift towards war, during Wilson's first administration, Kitchin was in the center of the fight against participation, speaking out with cold, clear reason and imploring the country to chart a course of neutrality which had its basis in fact and not in the prejudices of any public officer. But the drift soon became an avalanche, drowning out his protests. On the very day that the war resolution, having passed the Senate with only six dissenting votes, came before the House, Claude Kitchin stood up and spoke his mind.

He said that it took neither moral nor physical courage to declare a war for others to fight. If the United States entered the war, it could not honestly say that its reason was to protect American lives and American rights on the high seas. The cause of Great Britain, France, and Russia, right or wrong, was being made our cause. We were to make their quarrel, right or wrong, our quarrel. And Kitchin was convinced that the cause of others did not warrant the sacrifice. "Whatever be the future, whatever be the rewards or penalties of this nation's step," he said, "I shall always believe that we could and ought to have kept out of this war."

At the time, when it took courage to shout against the mob, Kitchin was assailed and subjected to vicious slurs in the press. He does not live to see his vindication, but Mr. Arnett's book will serve as a fitting monument. It is a monu-

ment which will be all the more enduring for its calm courtesy and its lack of over-statement.

Cause of War

Why war? Philip Noel-Baker, a member of Parliament, will tell you that war has long ceased to be the sole result of legitimate quarrels between nations. He has spent ten years studying the problem and is convinced that armaments are more than the instruments used to wage and prolong war: they are a direct cause. The results of this phase of his study are contained in *The Private Manufacture of Armaments*, which arraigns, tries, and finds, on the basis of exhaustive evidence, that the private armament manufacturers are guilty of the crime of war and of a "prosperity" made possible by the merciless destruction of man and his work. But having returned a verdict against these vendors of death, Mr. Noel-Baker would not sentence them and them alone. Equally guilty are the governments under which the private manufacturers are encouraged and permitted to thrive.

Mr. Noel-Baker's case, then, is for total abolition of armament manufacture by private concerns. His study has convinced him that the World War was the product of scares, panics, and "crises" manufactured by the vested armament interests even as they manufactured bullets and bombs. In the ten years before the war they were working in a "hundred different ways," he asserts, to step up their sales. Government officers were solicited and bribed without compunction. People "friendly" to the interests were placed and maintained in government positions. The propaganda factories turned out spy-scares, misunderstandings, and panics in wholesale lots. Governments were pitted against one another in mad races to rearm. A firm sold arms to potential enemies of its own government, knowing that it could thereby cash in on the demand of both countries to outstrip each other.

This is strong stuff, but Mr. Noel-Baker is not dealing in controversy or conjecture. He has carefully assembled his facts, documents, and quotations, and has avoided writing any meanings into them that are not apparent at once to the reader. *The Private Manufacture of Armaments* is, therefore, more than a story; it is a record and an authentic one. As such, it is of international moment and should be a great influence in the argument against private traffic in arms.

Armaments and Lord Grey

It is interesting to note that Mr. Noel-Baker quotes Lord Grey, English Foreign Secretary

Times Wide World

***ARMAMENT CIVILIZATION:** The private traffic in arms, says Philip Noel-Baker in* **The Private Manufacture of Armaments**, *is today threatening the peace of the world just as it did in 1914. The reproduction above is an air view of the Krupp ammunition works at Essen, Germany.*

during the war, as asserting that the "true and final account of the origin of the war" goes back to the armament competition. Lord Grey's life, his activities during the war, and bitter opposition to the armaments race are told in detail in the biography, *Lord Grey of Fallodon*, by George Macaulay Trevelyan.

Five years before the World War broke out, Sir Edward Grey made an impassioned plea against the scramble of the European powers for leadership in military preparations. The extent to which war expenditures has grown, he said, became a satire and a reflection on civilization. He correctly predicted that unless checked the armaments race would end in a disaster which would "submerge that civilization."

There is little question that either as a statesman or as a naturalist and writer, Edward Grey was one of Britain's greatest sons. While Foreign Secretary, he worked for peace, joining America in laying the foundation for a League of Nations. But public life to him was a service—to be fulfilled unselfishly and without question. He preferred, though, his work in the country and in the fields where his leanings as a naturalist could find their best expression. His observations on bird life have given him rank with Audubon; as the author of the *Charm of Birds* and the *Fallodon Papers* he won ready recognition as a naturalist and was highly praised by W. W. Hudson.

The story of Edward Grey's life, in war and peace, finds a competent and sympathetic biographer in Mr. Trevelyan. It is no easy task to chronicle the life of a man who had two separate careers and who was definitely outstanding in both, but Mr. Trevelyan has contributed a work of grace and clarity, a credit to both subject and biographer.

Mr. Williams on Arms

Lord Grey's oft-repeated stand against arms and armament races would appear to be in direct conflict with the suggestions made by Wythe Williams, who, in *Dusk of Empire*, seems to believe that the way to stay out of war is to carry a bigger gun than the next fellow. The United States, he says, would have been in a "magnificent situation," politically, and from the standpoint of military strategy, if she possessed a formidable army at the time of the outbreak of the World War.

And the best policy for America to follow today, he adds, now that another war is threatening, is to be "too tough" for others to fight. With a great army, a great navy, and a great air force second to none, who can challenge us? The author also seems to favor the immediate creation of an army built by short-term conscription —a few months each year over a period of several years. Thus, in the event of war within the next decade, the United States would have upwards of a million trained men ready to start shooting.

There has always been something puzzling about the doctrine of preparedness, as expressed, for example, by Mr. Williams. It seems to be based on the assumption that war is inevitable and that the only sensible thing to do is to be ready for it when it comes. Yet it does not take into consideration that a million guns and a million men on one side cancel off a million guns and a million men on the other, and that both opposing nations have no more military advantage than when they started. And has the author ever heard of a war where both sides are unarmed?

Of course, there is a certain amount of realism in Mr. Williams' argument which we would be foolish not to respect. Few are opposed to reasonable military defense precautions, especially at a time when Europe is a forest of bayonets. But by reasonable is not meant conscription in time of peace, nor "second-to-none" air forces, armies, or navies.

In fairness to Mr. Williams, however, it should be emphasized that such of his suggestions as have been discussed constitute only one of the themes—and not the major one—of *Dusk of Empire*. Mr. Williams was a World War newspaper correspondent and he has recounted his experiences and observations of that period. These he has linked together with the salient events of the post-war years, his analysis of which has convinced him that Europe's world supremacy is evanescent and that the sun of leadership now shines upon the United States. Unless we recognize and grasp that opportunity for leadership there can be only catastrophe ahead.

Fascism and Fascists

E. B. Ashton, in *The Fascist: His State and His Mind* has written a thought-provoking and meaty work on a subject which thus far has evoked many and varying types of definition and dogma, but little unanimity. Americans are making the same mistake in their conception of fascism as they have with communism. No one takes seriously any more the description of a communist as a man with red beard and smoking

bomb. Similarly, we shall be better equipped to fight fascism if we realize and recognize that the overthrow of democracy may be inspired not by a one-eyed monster on horseback from overseas but perhaps by one who will protest his 100 per cent Americanism even as he is tearing down its very foundations, and who will announce in double-spread editorials on the first pages of all his newspapers that he has saved the United States from the "sinister spectre of bolshevism."

Mr. Ashton is to be thanked for his clear and penetrating study. He does not believe that fascism can be undermined merely by discrediting and describing it, as many have done, as a black reactionary movement advocating a return to seventeenth century viewpoints and ideas. We must admit from the start, he contends, that it is essentially a product of present-day civilization and is composed of the most recently developed economic system of modern capitalism and the state conception of collectivism.

Another important concession which the peoples of democratic nations should be willing to make, the author believes, is to accept as true the premise that the majority of the people in Germany and Italy do not consider fascism as a "yoke." Their mentality, their inherent likes and dislikes, their traditions, he says, all point to that type of super-state. We would do better to fortify our own democracy than to run off on a mission to save a people who may not want to be saved: "Our strongest argument against a threatening American fascism is not that the Germans or Italians are enslaved; it is that fascism is not in line with our traditions, while it is with theirs."

After surveying the American scene, Mr. Ashton reports that fascism stands little chance in this country. But, he warns, there can be no sitting back in smug assurance that "it can't happen here." For there are dangers and it would be folly to give them full play. Among these is the danger of pseudo-fascism of the Buzz Windrip variety—the erection of a state by persuasion or force of any kind of authoritative rule *not* in accord with the will of the people. Another threat is international aggression—"fascist power is an avalanche that cannot stop until its motion is halted completely" and sooner or later democracy must be prepared to withstand an assault.

The most potent threat to American democracy today, however, the author is convinced, is the assumption of powers by the Supreme Court in such a way as to frustrate popular will. The members of the Court have not been "content with guarding the Constitution as the people's idea of democracy," but have substituted "their own idea of a democratic system." Continuance of this judicial dictatorship, he warns, will undermine our government by shattering the people's faith in the ability of democracy to meet their needs.

Constitutional Background

Any discussion of the Supreme Court, of course, must revert to the Constitution and its founding. And on this subject Charles Warren's *The Making of the Constitution*, a new and popular-priced edition of which has just been published, is a qualified authority. Professor Warren's work, originally published in 1928, has won wide and lasting recognition. It is a work which has assembled and made possible access to pertinent letters, documents, and material on the Constitution in one volume. Dr. Warren has sought to show that the Constitution was a "practical document, drafted by practical men—men of wide vision and high ideals but also of skill in adjustment of varying points of view—It was not the product of a class or a section, and no single influence led either to its inception or to its adoption."

Professor Warren's work makes sound background reading for the profusion of books which have streamed from the presses on the Court and Constitution during the past year and a half. The President's proposal to enlarge the Court is sure to give more impetus to the large output. Already there have been a half dozen or more books dealing specifically with the proposal, most of which have followed the general trend toward the return of midget-sized volumes and pamphlets. Prominent among these are *The Supreme Court Issue and the Constitution*, edited by William R. Barnes and A. W. Littlefield, and *Supreme Court or Political Puppets?* by David Lawrence.

Compact and easily adapted to ready-reference, *The Supreme Court Issue and the Constitution* contains the President's proposal in full, the Constitution, biographies of the justices, and comments, pro and con. Intelligently edited and arranged, this little volume will serve as an interesting record of an historic question long after the issue has been settled.

Mr. Lawrence's effort is a wreath of roses for the Court. The justices will be remembered, he prophesies, as the "nine honest men who withstood intimidation and threats of legislative reprisal, the men who saw their duty in the finest traditions of Anglo-Saxon justice and pronounced their verdict with a responsibility only to their consciences and their God."

The Supreme Court emerges bright and shining from Mr. Lawrence's energetic whitewash but it is unfortunate that he offers no solution for the

(Continued on page 125)

QUESTIONS *and* ANSWERS

Taken from our radio quiz
"CURRENT HISTORY EXAMS"
(Station WHN, Wed. 8:30-9 P.M.)

THE QUESTIONS:

1. What large body of water is commonly referred to by Italians as "the Italian Lake"?
2. What country dominates the entrance to the Mediterranean Sea from the Atlantic Ocean?
3. What two islands in the Mediterranean are held and fortified by Great Britain?
4. Near what large Italian Island is Malta?
5. Is the Island of Cyprus nearer the Spanish or the Asia Minor coastline of the Mediterranean?
6. What port on the Asia Minor coastline of the Mediterranean is the terminus of British oil pipelines which carry oil from the Mosul oil-fields in Iraq?
7. Has Japan a one- or a two-house Parliament?
8. Does the term Diet mean the upper house, the lower house, or both houses of the Japanese Parliament?
9. What are the two great political parties in Japan?
10. What is the general attitude of Japan's two leading parties toward the insistence of certain army interests on direct imperial expansion through military action?
11. What is the capital of the Straits Settlements?
12. What is the strategic importance to Great Britain of Singapore?
13. Where is most of the world's rubber produced today?
14. Name the ten South American Republics.
15. Name the seven republics in Central America.
16. What are the three republics occupying islands, or parts of islands, in the Caribbean?
17. Is there any sovereign country in the New World which is not a republic?
18. Excluding the Dominion of Canada, what British possessions are there on the Continent of North America?

THE ANSWERS:

1. The Mediterranean Sea is often called by Italians "the Italian Lake."
2. Great Britain dominates the entrance to the Mediterranean Sea from the Atlantic Ocean through the Strait of Gibraltar.
3. Great Britain has fortified the Islands of Malta and Cyprus in the Mediterranean.
4. Malta is near the Italian Island of Sicily.
5. Cyprus is only about 40 miles south of Asia Minor.
6. Haifa, in Palestine, is the terminus of British oil pipelines, carrying oil from the Mosul oil-fields in Iraq.
7. Japan has a two-house Parliament.
8. "Diet" refers to both houses of the Japanese Parliament.
9. Japan's two great political parties are the Seiyukai and the Minseito.
10. Neither of Japan's two great parties is in accord with army demands for direct imperial expansion by military action, although both might be said to favor expansion.
11. Singapore is the capital of Great Britain's Straits Settlements.
12. Singapore is strategically important to Great Britain because it commands the Strait of Malacca which provides the only direct sea lane between the Pacific and the Indian Oceans.
13. Seventy per cent of the world's rubber is produced in the Dutch East Indies.
14. Colombia, Ecuador, Peru, Bolivia, Chile, Argentina, Uruguay, Paraguay, Brazil, and Venezuela.
15. Mexico, Honduras, Nicaragua, Costa Rica, Guatemala, Panama, and Salvador.
16. Cuba, Haiti, and Santo Domingo.
17. All sovereign countries in the new world are republics.
18. Excluding Canada, British possessions on the continent of North America are British Honduras and Newfoundland.

1927 1937

TEN YEARS AGO THIS OCTOBER

It is interesting to turn back the pages of the years and read the record of a business. . . . For time has a way of testing purposes and policies. Good years and lean reveal the character of men and organizations. . . . The fundamental policy of the Bell System is not of recent birth—it has been the corner-stone of the institution for many years. On October 20, 1927, it was reaffirmed in these words by Walter S. Gifford, President, American Telephone and Telegraph Company.

"The business of the American Telephone and Telegraph Company and its Associated Bell Telephone Companies is to furnish telephone service to the nation.

"The fact that the responsibility for such a large part of the telephone service of the country rests solely upon this Company and its Associated Companies also imposes on the management an unusual obligation to the public to see to it that the service shall at all times be adequate, dependable and satisfactory.

"Obviously, the only sound policy that will meet these obligations is to continue to furnish the best possible telephone service at the lowest cost consistent with financial safety. This policy is bound to succeed in the long run and there is no reason for acting otherwise than for the long run.

"Earnings must be sufficient to assure the best possible telephone service at all times and to assure the continued financial integrity of the business. Earnings that are less than adequate must result in telephone service that is something less than the best possible.

"Earnings in excess of these requirements must either be spent for the enlargement and improvement of the service furnished or the rates charged for the service must be reduced. This is fundamental in the policy of the management.

"With your sympathetic understanding we shall continue to go forward, providing a telephone service for the nation more and more free from imperfections, errors or delays, and always at a cost as low as is consistent with financial safety."

CURRENT HISTORY

MAY 1937

LOG OF MAJOR CURRENTS

Business and War Orders

NO ONE questions the tangible presence of recovery. In fact, the very term "recovery" has been outstripped by the swelling volume of business. Financial writers have tossed off the word, and turned to "boom." Business is booming along the economic front in some of the more important lines, at least. Of course, this may be cynical news to those men who, being beyond reach of unionism's magic wand, are still fighting to meet fixed charges from a niggardly pay envelope. But it is news indeed, and welcome in the speculator's wigwam.

The outstanding feature of the monthly March figures was the steel report on ingot production from the American Iron and Steel Institute. Production reached a level of 90.1 per cent capacity for the full month. What manner of orders are being filled by the steel companies no one seems to know with any surety. Some of the more skeptical financial experts surmise that the bulk of business must be "war orders." Munition factories are on overtime; battleship and cruiser yards are taxed to capacity. Some observers liken the present boom to the one which pleased the American business man in the winter of 1914–15.

Along with the metal rise goes the stock market. At the very time that John L. Lewis's men were squatting on General Motors property, General Motors stock was rising. And when unionism closed in on steel, United States Steel stock rose from 76 to 115. If, as some believe, war orders from Europe are now supplementing Government spending in America, then such recovery based on Governmental deficits, whether at home or abroad, will probably come to a bad end.

Almost without exception financial writers are flying storm signals. D. W. Ellsworth, writing in *The Annalist*, points out: "The fact that speculation is now running riot in commodities rather than in stocks and real estate merely means, if our reading of past economic changes is correct, that the present recovery will be choked by rising production costs all the sooner." At least Marriner Eccles is not alone in his alarm. Without qualification, he reassured the nation that nothing could be more unwholesome than the structure of the present recovery.

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STILL PRETTY SPRY

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A BALANCED BUDGET-MESSAGE

What confuses the layman as he examines the testimony of the expert is the number of causes to which are attributed the fearful forebodings. Some point out the rising commodity speculation; others see the durable goods rise; all agree on Government spending. And all agree that the whole thing looks bad. Of course, there is a possibility that the alarms are ill-founded. Prophets who failed to divine the 1929 debâcle are determined not to miss calling the turn of the next depression. For the sake of their own redemption they are already muting wind through the horns of disaster.

Labor Faces a Counter-Attack

The first Governmental action on the labor controversies came on April 7 with the Senate denouncing not only the sit-down strikes but also employers who utilize labor spies and refuse to admit the right of employees to collective bargaining. Actually the impartiality of the resolution rendered it innocuous. Employers anxious for a good old-fashioned orgy of Federal strike-breaking were disgruntled, although not displeased, since the resolution did recognize the sit-down technique as illegal. Labor leaders were unimpressed. Fresh from a tussle with the Chrysler Corporation, they were occupied with consolidating their gains, and seriously concerned with seeking a curb for the insurgent sit-down strikes threatening to discredit the discipline of industrial unionism.

The Chrysler agreement, in essence little different from the General Motors agreement, recognized the United Automobile Workers "as the collective bargaining agency for such of its employees who are members of the union." Despite the fact that the union did not attain its avowed objective of sole bargaining agency, the agreement was hailed in labor quarters as a victory. Impartial observers admit it is hardly a major victory since the agreement concedes to labor only just what the law allows.

However, in bold relief to the amicable settlement of the recent automotive controversies, is the attitude of Henry Ford. His years of irreconcilable anti-union activity are best reflected in the statement: "We'll never recognize the United Automobile Workers Union or any other union." Whether this position can be maintained in the face of revolutionary changes in industrial relations will be decided in the immediate future. As the Wagner Labor Relations Act has been declared valid, it is an illegal attitude. But while the legal aspects were still unresolved, John L. Lewis warned the C.I.O. workers that they must first organize before attempting a test of strength with the Ford management.

Soft Coal Compromise

Almost obscured by the drama of sit-down strikes was the signing of a two-year agreement between the United Mine Workers of America and the soft coal operators. Averting a threatened strike of 400,000 miners, it disclosed the possibility of compromise and moderation in the current industrial scene. On the one hand, John L. Lewis yielded in his original demands for a 30-hour week and for a guaranteed annual wage of $1,200. On the other hand, the employers abandoned their demands for a 40-hour week with no increase in pay. The compromise of these two widely disparate positions included a retention of the present 35-hour week with substantial increases in the wage scale. Justification of the speedy compromise is the logical result of bitter and sobering experience endured by both employers and labor unions in the past. Both are aware that the slightest friction can precipitately plunge the soft-coal industry back into the demoralized condition of 1933. Ruinous price competition from non-union

mines not only caused the breakdown of collective bargaining in 1927 but, coupled with the development of new fuels such as oil and the rapid mechanization of mines, reduced the number of coal-miners from 640,000 in 1920 to 419,000 in 1933. In the same period, the annual production of coal was reduced 50%. Faced with these facts, is it any wonder that the miners and operators not only reached an amicable agreement but turned, shoulder to shoulder, to seek some kind of Federal assistance.

Before the Congress is a new Guffey Coal Bill to replace the first Guffey Bill which protected prices under the NRA. Both the operators and the union consider the passage of this bill necessary to the stability of the coal industry, and it is assumed that their wage and hours agreement was postulated on its being passed. Price-fixing, however, has a forbidding sound in the public's ears. The public envisages itself, and rightly, as the ultimate victim. Wages, taxes, and subsidies are invariably passed along to the consumer. However, it appears that the coal industry can reasonably expect a more stable price structure than it has enjoyed in past years. At any rate, the compromise agreement between the union and the operators suggests a reasonable understanding of this problem, and a responsibility to the public.

Strikes Without Bloodshed

Many strikes have been successfully settled, and almost all of them have been terminated without bloodshed. This is a victory for the flexible minds who have engineered the agreements in the light of new industrial relationships. Such men as Governor Murphy of Michigan have served commendably in a calm but firm fight to bring about arbitration without bloodshed. Reactionaries steeped in archaic conceptions of divine property rights appealed for forcible eviction of the sit-down strikers even in the knowledge that such a course would lead to legalized murder. However, the courts and elected officials upon whom immediate responsibility would come sought the more intelligent solution. Although almost all articulate opinion agrees that the sit-down strike is illegal, no official invalidation has as yet been accepted by general courts. Judges and competent legal authorities viewing this new industrial phenomenon in all its ramifications are not so quick to jump at this simple hooligan interpretation

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IN DEEP

of the law. Nor has there been a lack of so-called expert opinion that has dared to say that perhaps the sit-down strike is legal.

Vested Interests

Leon Green, Dean of Northwestern University School of Law at Chicago, writing in *The New Republic*, injects an issue into the legal status of the sit-down strike that must be carefully weighed before any allocation of unqualified property rights is finally made:

"Both participating groups have contributed heavily to the joint enterprise of industry. The contribution of those who make up the corporate organization on the one hand are visualized in plant, machinery, raw materials and the like. They can be seen, recorded and valued in dollars. We call them property. On the other side are hundreds of personalities who have spent years training their hands and senses to specialized skills, who have set up habitations conveniently located to their work; who have become obligated to families and for the facilities necessary for maintaining them; who have ordered their lives and developed disciplines; all to the end that the properties essential to industry may be operated for the profit of the owner group and for their own livelihoods. Their outlays are not so visible, nor so easily measured in dollars; but in gross they may equal or even

Albany Evening News

TO WHOM IT MAY CONCERN

exceed the contributions of the other group. Both groups are joint adventurers, as it were, in industrial enterprise. Both have and necessarily must have a voice in the matters of common concern. Both must have protection adequate to their interests as against the world at large as well as against the undue demands of each other."

Despite these and other even more urgent considerations, popular legislators have risen with the tide of indignation against the ostensible unfairness of the sit-down. In Vermont the Legislature responded with a bill providing for a maximum sentence of two years imprisonment, or not more than $1,000 fine, for sit-down strikers. This legislative action is, of course, only a beginning. From the concerted clamor that has risen for drastic labor laws a solution may be imminent paralleling the Trade Disputes and Trade Union Act, 1927, adopted in England. To avoid such a contingency, the C.I.O. must demonstrate its ability to discipline and control its members.

National Balance Sheet

Despite President Roosevelt's buoyant attitude toward the more hoary traditions of Governmental expenditures, the hope he expressed that the budget would strike a "layman's" balance in the next fiscal year seems to be sinking rapidly. Advocates of a balanced budget have found ample fuel for their fires in recent developments. There has been no diminution in Governmental expenditures; the Treasury's $840,000,000 anticipated revenue in this quarter has simmered down to $700,000,000 actually in hand; the Government bond market has been experiencing a series of declines. All or none of these factors may be important. The fact that Government bonds are falling off has prompted many experts to predict that we have witnessed the end of a bull market in Government bonds and that we are moving rapidly toward a time when Government credit will be on a 3% basis. At present it is 2¾%, while in December the Government disposed of a block of long-term bonds at 2½%. The result of this interest rise is obvious. To the Government a rise of 1% in long-term interest rates is almost prohibitive for many enterprises.

From many sources advice continues to pour into the Congress as to the best way of escaping a budget crisis. In sum the advice is the same: amendment of the corporate surplus tax, a reform of the capital gains tax, a broadening of the income tax base and,

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BUBBLE DANCE

most necessary of all, immediate economies. Such suggestions are not happy ones as far as Congress is concerned. Although they favor some economies, they are more inclined to think of meeting the budget deficit by expanding the old nuisance taxes. However, even this tactic has its drawbacks. Congressional leaders remembering their loud and frequent promises—that there would be no new taxes—do not relish the prospect of again standing forsworn before the public and their own voting constituents.

In the Senate Finance Committee, opposite political elements produced varying reports on the Government's financial position. Senator King predicted a deficit of from 4 to 5 billion, when the books are closed June 30. "Unless there is a curtailment," he said, "a situation will develop where it will be imperative on the Congress to levy heavier taxes, drastic though the present taxes are." Despite this gloomy foreboding Administration leaders do not concede the accuracy of Mr. King's figures. Senator Harrison, Chairman of the Finance Committee, stated again that no new tax increases are contemplated at this session of Congress.

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WHAT WILL IT GET US?

Consumer vs. Durable Goods

Whatever the outcome of the budget unbalance, President Roosevelt again iterated his economic philosophy, which in the social language is utilitarian—the greatest good to the greatest number. Following a visit from Fiorello La Guardia of New York, who protested in behalf of United States mayors the new PWA ruling which requires all Federal grants for Public Works projects to be spent on relief labor, the President announced the reason for this qualification. In the early stages of recovery, when heavy industries lagged behind, he had primed the pump. Now the situation was reversed. Consumer goods lagged while durable goods were skyrocketing to dangerous heights. Five-cent copper at the mine was selling for seventeen cents; steel had jumped by six dollars a ton. To the President and many another economist such a situation produced the "soft spot" ultimately leading to depression. Thus in the future the Federal Government will divert its billion dollar expenditures into the channels directly obligated to purchase consumer goods. The wisdom of this policy must pass unchallenged since neither layman nor expert has yet agreed on the preventive measures to rescue the national economy from the "next depression."

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LEARNING FAST

"Reliefers"

Among the many fiscal complaints against the Administration none causes greater an-

guish than the huge sums poured into relief and public work. Contemptuously the recipients of Government aid have been dubbed "reliefers." Where this term originated is unimportant. But it reflects the reaction of those unsaddled by the responsibility of millions of unemployed men and women. Certainly the astronomical sums spent on the care of these people is a serious problem of our national economy. Perhaps it is an unsolvable problem. Such a problem exists in our national defense program. One billion dollars a year for armament is a staggering sum. So is the four billions yearly expenditure for relief. And yet they have the peculiar relationship of being in the same category since both may be eliminated only if hundreds of contingencies are simultaneously resolved.

Cost of War

Sixty billions for the last war with an ever rising total. Before the peace treaty was signed, American expenditures had risen to $26,250,000,000 for munitions, equipment and all the other direct expenditures. Between the treaty and April, 1937, another $34,048,000,000 has been added for post-war loans to allies, interest paid on billions of debt and peacetime payments to war veterans amounting to twelve billion dollars in the last 16 years and scheduled to mount to greater heights in years to come. Other, indirect war costs are incalculable. The nation is still struggling to readjust an economy that was thrown out of joint during the War. And now the nation is spending over a billion a year for military expenditures.

Bernard Baruch laments the billions for defense and rearmament—billions which, if used in the ways of peace, would go far in abolishing slums and lessening poverty. But realistically he points out that nations are prosecuting an economic war from behind barricades of quotas and trade restrictions. "This is no day to fix the blame," says Mr. Baruch. "Peoples of all countries must pay no heed to warlike leaders. People must not look to war; they must think and act peace."

Pacts in the Melting Pot

WITH "collective security" no more than a bitter-sweet memory, European powers are now trying to recreate a new Locarno pact which, it is hoped, will rise Phoenix-like out of the ashes of the old. This is heralded as the last hope for a peace settlement in Europe. It will be limited in scope—being no more than a regional mutual assistance treaty—but its narrow confines are justified by the principle that half a loaf is better than no bread and by the nostalgic reminiscences of the pipingly peaceful days following the old pact.

There is no denying the importance of the project. At the same time, it has proved to be exceedingly difficult to negotiate. Nevertheless, the events of the last month have weakened the main obstacle to its achievement—German hostility to Russia and the Franco-Soviet pact; the bases of difference between the powers concerned have shifted.

Mid-March saw the eventual fascist replies to the British memorandum of November 18. Berlin and Rome desired to confine the proposed treaty to non-aggression pacts among Germany, France, and Belgium, which would be guaranteed by Britain and Italy. Great Britain, on the other hand, wants a reciprocal treaty which would guarantee her as well as the continental powers against unprovoked aggression.

A second basis of disagreement is the question of whether or not the projected treaty should fall within the purview of the League of Nations. It is the British desire that it should, with the consequence that the League Council should determine the guilty party in any act of aggression. To this the Germans say No, and propose instead that action should only be taken if Italy and Great Britain jointly certify that an act of aggression has been committed.

It is clear that the obstacles to the conclusion of the treaty still remain in Eastern Europe. Germany has apparently abandoned intentions of aggression to the westward. She is only interested in the neutrality of Belgium and Switzerland, so that she may confine her defensive plans to the French border; in fact, to her the scheme is essentially a means towards sewing up France on the west so that she may have as free a hand as possible in the east.

Great Britain and France agree to the idea

Réalités, Brussels

AN OLD FORMULA WHICH ALWAYS WORKS

Franco: "Soldiers, we must neglect nothing to save civilization"

of Belgian and Swiss neutrality; they are willing to guarantee Belgian neutrality in return for the minor condition that Belgium fortifies her own frontier—a concession granted largely for the purpose of giving the friendly van Zeeland ammunition to use against the pro-German Rexists in the by-election of April 10 which he won so handsomely.

But they cannot agree to the proposition of Italy being one of the two powers to determine whether an act of aggression has taken place. It is quite certain that in the event of Germany trying to make a second Spain out of Czechoslovakia—the event which Europe now fears most—Mussolini would not hesitate a moment to declare that it was purely a domestic dispute, arising out of the Czech Government's repression of the Sudeten Germans, and therefore not subject to the terms of the treaty.

In short, the Italian and German proposals are merely a more subtle way of undermining the provisions of the Franco-Soviet agreement —no less effective for being less superficially apparent.

Weakening the Franco-Soviet Pact

Behind this, however, is a trend which may affect fundamentally the presently conflicting Rome-Berlin and Paris-Moscow axes.

France, for her part, is somewhat apprehensive concerning her obligations under the Franco-Soviet pact and its corollary—the agreement with Czechoslovakia. In the hypothetical case of Germany attacking Czechoslovakia, the French would not fall over themselves in their anxiety to help the latter without some assurance of British support; Mr. Eden's definition of those causes for which Britain would fight, announced last November, and the general tendency towards isolationism in British foreign policy indicate that this condition would not be fulfilled.

This situation does not satisfy the Soviet. Furthermore, the powers-that-be in Moscow are confident in the strength of their armed forces; French help means to them much less than it did at the time the pact was signed. And, as their own power has increased, the strategic position of the democratic powers has progressively deteriorated as the latter have given way to the fascist bluff. Today,

therefore, the Soviets see little future in the prospect of pulling democratic chestnuts out of the European fire; they are just about ready to tell the owners of those chestnuts to show a little more courage and foresight in looking after their own possessions.

Hence, Moscow demands that, if the pact is to be maintained, it should be placed upon a more effective basis and that it should be reinforced by what the Soviets regard as its necessary corollary, a military alliance. A concrete evidence of this potential rift was the recall of the Russian Minister to Paris, Vladimir Potemkin, for his inability to conclude the desired military agreement.

Growth of Military Influence

More damaging to the Franco-Soviet entente, however, is the growing possibility of a German-Russian rapprochement. On the face of it, the eventuality appears fantastic in the light of the fanatic fascist-communist propaganda wars that have flared across the face of Europe. But stranger events have occurred. There are historical precedents and geographical reasons for it. And, as the German economy has become increasingly socialized, the Russians have become more nationalistic. But the chief reason for the potential rapprochement is that of military strategy. Both the Russian and German army heads are said to favor cooperation; ideological differences do not worry them, and there is the pleasing prospect of sharing the military hegemony of Europe. The last month has seen an increase of their power over the political destinies of their respective nations. Observers attach importance to the reconciliation (reportedly brought about by the Reichswehr) in Germany between Chancellor Hitler and General Ludendorff, who is known as an opponent of a military entanglement with Italy and a protagonist of an understanding with Russia. Colonel General Goering is also said to be in favor of the same policy. In Russia, the arrest of Henry Yagoda, the former head of the OGPU, is attributed to the influence of Defense Commissar Voroshiloff, who is on friendly terms with the German Army. Behind these moves, there must also be considered the Reichswehr's realization of the failure of German airplanes and tanks in Spain and its growing appreciation of the strength of the Red forces. And, again, there are insistent reports of secret conferences between Dr. Schacht and Russian economists and between German and Soviet military commanders.

The trend is not yet conclusive; but the conceivable eventuality of the Reichswehr and the Red Army deciding to dominate Europe is significant to the highest degree.

Il 420, Florence

EXCHANGE OF MERCHANDISE (The Spanish Reds are repaying Soviet war material with works of art).
"What is the use of that aeroplane? It has a wing short."
"That is to pay for the statue which has no arms."

Spanish Casualties: Two Illusions

SINCE the outbreak of the Spanish civil war, current opinion has held tenaciously to two beliefs: firstly, that substantial but not excessive Italian and German intervention would ensure a rebel victory, and secondly that, even if the loyalists entertained a hope of victory, it would be posited on assistance from Russia and France.

These theories, predominantly held by the British Government, were partly responsible for the non-intervention scheme, which looked to an early fascist triumph. And, in the Anglo-Italian Mediterranean agreement of January 2, it is becoming more apparent that England consented to a "stiffening" of the insurgent ranks by Italian fascists sufficient to bring about the downfall of Madrid.

March and April, however, saw these two illusions among the most notable casualties of the war. The change in the military situation effected during the short period since last November has been little short of the unbelievable. The virtually certain rebel victory has turned to a strong probability of a Government triumph. The loyalists have now taken the offensive, and, although ultimate victory is by no means certain, it is indisputable that, on the other hand, the rebels' chances of cutting the Burgos, Valencia, and Aragon highways to isolate Madrid, of seizing the city itself, especially in the face of probable attempts to relieve it from the outside, of subduing Valencia, not to mention Catalonia, the Basque provinces, and Asturias, can be dismissed as negligible.

The rout of the rebels at Brihuega on March 16–20 will probably be chronicled as the crucial point in this strategic reversal. Certainly it was there that the believed invincibility of the invading fascists suffered its most bitter blow. A reported 30,000 Italians were decisively beaten on this sector of the front; at the same time, loyalist forces were making headway in Cordoba and towards Burgos, even though the Basques suffered some reverses.

The insurgent defeat—with consequent loss of Italian military prestige—can be attributed to poor morale; volunteers for colonization in Ethiopia, who suddenly found themselves landed on the Spanish battlefront, could scarcely be expected to demonstrate any great enthusiasm for the ruse, to which a large number of desertions attested. And the conflict within the rebel ranks was further confirmed by the outbreak of mutiny in Spanish Morocco and Malaga.

The New Spanish Army

A more important element in the changed fortunes of war, however, has been the development of the People's Army and Air Force. While the International Brigade, composed of anti-fascists of varied nations, bore the brunt of the siege of last November, there has taken place since January a reorganization of the Government forces. Mixed brigades, in which a preponderance of Spaniards fight with an experienced nucleus of foreign volunteers, have come to surpass in importance the International Brigade, and purely Spanish units are also being built up. The command has been unified under General Miaja, and today the People's Army is powerful, skilled, disciplined—and Spanish. A similar process is under way in the Air Force; Spaniards now share honors evenly with French, Russian, and American pilots, and training campaigns promise that they will soon exceed them. Paralleling this latter development has been the establishment of

St. Louis Post-Dispatch

"YOU'RE NOT DOING SO WELL, GEN. FRANCO"

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WISE BIRDS

loyalist air supremacy. In the earliest days of the war, there was an approximate equality between the combatant forces. From the middle of August until November, the rebels enjoyed a marked superiority in the air, which reached a climax when the last machine left to the defenders of Madrid failed to leave the ground. In early November, the Government began to acquire more planes and soon enjoyed a slight superiority in a campaign chiefly devoted to single combats and bombing expeditions. The present stage came into being with the loyalist counter-attack on the Guadalajara front; planes, many presumably of Russian and French origin, cooperated with the infantry by bombing and machine-gunning the rebel second lines and front bases in preparation for the infantry's advance. According to reports, this form of fighting more nearly approximated popular futuristic conceptions of modern warfare than any fighting yet known.

From the international point of view, the amazing development of the Spanish loyalist fighting forces can be expected to have two results: In the first place, it is now clear that the only result of further foreign intervention will be to prolong the struggle; only on the condition that Germany and Italy send assistance to Franco on a completely unprecedented scale does there seem to be any possibility that intervention can change the outcome of the war. Secondly, there now exists in Europe a new and powerful armed force, of strong anti-fascist leanings and probably with a close relationship to Soviet Russia; this cannot be left out of any future calculations of the political balance on the continent.

Italy Courts Yugoslavia

ON MARCH 26, Italy and Yugoslavia brought to an end a period of potential hostility and signed a five-year treaty. On April 1, the President of Czechoslovakia, Dr. Benes, visited Belgrade, and three days later the Little Entente met and considered what damage—if any—had been suffered by the partnership as a result of the Italo-Yugoslav agreement. Nobody has yet decided, but the straws in the wind indicate that, as an attempt to extend the fascist entente to southeastern Europe, Rome's latest move has little chance of substantial success.

The terms of the treaty in question provide that Italy and Yugoslavia will respect each other's boundaries and will remain neutral in the event of either of them being attacked by a third power. The second article reads: "In case of international complications, and if both states agree that their common interests are or might be menaced, they bind themselves to seek agreement on measures which they will take to protect those interests," which is believed to cover among other things a Hapsburg restoration in Austria or an Austrian union with Germany—events opposed respectively by Belgrade and Rome. The two nations also agree not to harbor subversive movements aimed against each other's territory or political régime; this settles the Yugoslav quarrel with Italy for protecting members of the Ustachi gang which conspired to kill King Alexander. The fifth article provides for improved trade relations, which will assist the export of Yugoslavian timber, cattle, and agricultural products to

Daily Herald, London

War Minister Duff-Cooper says draught-horses are out-moded in war. But War isn't worrying!

Italy. Additional protocols guarantee the independence of Albania and the rights of Serb, Croat, and Slovene minorities in Italy and Italian minorities in Yugoslavia.

The implications of the pact will be determined by the future, but the possibilities are shown by the past. Italy is a member of the fascist entente; by the treaty signed last October, Rome and Berlin agreed, among other things, to cooperate in the Balkans. They are at present cooperating in Spain. Italy is also a signatory of the Rome Protocols which bind her with Austria and Hungary. Yugoslavia, for her part, is a member of the Little Entente, which—in contrast to Italy—is pro-French and pro-League, and which was brought into existence to oppose Hapsburg restoration, territorial revision, and German aggression.

Two Views of the Treaty

One reading of the Italo-Yugoslav treaty is that it foreshadows a break in the Rome-Berlin axis. On March 4, Premier Stoyadinovitch of Yugoslavia went out of his way to praise England and France, stated that Italian relations had improved, and was somewhat less than friendly towards Germany. Furthermore, Austria had suddenly turned away from Germany; Chancellor Schuschnigg had visited Prague with a view to establishing better relations between Austria, Hungary, and Czechoslovakia; he had removed a pro-Nazi minister from his cabinet coincidently with the papal encyclical condemning Germany for the breach of the concordat—a move that was probably known to Rome. Considering the expensive failure of Italian intervention in Spain, these moves would indicate that Mussolini wishes to bring together the Rome bloc and the Little Entente, settling the southeastern European problem on a basis agreeable to Great Britain and France.

The second view is that the treaty is a direct attempt to detach Yugoslavia from the Little Entente and bring her within the sphere of German-Italian influence in order to break up the Little Entente as a democratic, pro-French unit. It is held that this is in line with established fascist policy. Italy is openly trying to promote further an agreement between Yugoslavia and Hungary and to con-

clude an agreement herself with Rumania. This would leave the remaining members of the Little Entente badly out on a limb. It is argued that, by lining up with the most avowed enemy of Hapsburg restoration, Mussolini has deprived Austria of the chance of resorting to her last defense against *Anschluss*, permission to use which Chancellor Schuschnigg had intended to seek from Rome and which he had already gained from Great Britain.

The latter is the more likely of the two analyses. But that does not exclude both from being right as regards Mussolini's intentions; for his diplomatic sword is double-edged, and he has consistently assumed an equivocal position in order to be able to drive the hardest bargain with the highest bidder.

As far as the results, as contrasted with the intentions, are concerned, the treaty promises to fall short of fascist hopes. Despite its obvious worry, the Little Entente conference reported officially that all was well with the Little Entente, the League, and its friendship with France. But much more significant was Dr. Benes' reception in Belgrade; as a symbol of Little Entente unity, he was accorded an unprecedently enthusiastic popular welcome, and the leaders of the parliamentary parties existent before the dictatorship issued a declaration to the effect that the majority of their countrymen were opposed to Premier Stoyadinovitch's pro-fascist foreign policy. In short, the people of Yugoslavia have no desire to become appendages along the Rome-Berlin axis, even if their Premier has.

Britain Seeks a Formula

BEHIND the pomp and pageantry of the Coronation ceremonies, the statesmen of the British Commonwealth of Nations will be spending serious hours trying to devise a formula to ensure unity in the face of a world crisis. That will be no easy task.

Before the Great War, the problem of Imperial unity did not exist; the Dominions were subordinate to Great Britain, they had no independent control of their foreign policies, and common action was simply determined by a word from Downing Street. Their marked contribution to the Allied victory did much to increase their own national consciousness and to change their previous position of inferiority vis-à-vis Great Britain. In 1917, a resolution of the Imperial Conference of that year read that "any readjustment" of constitutional relations "should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth." The Dominions were represented at the peace conferences as separate entities and were granted League memberships—although they were listed together under the title of "The British Empire." Canada's success in persuading England not to renew the Anglo-Japanese treaty in 1921, her refusal to send troops to fight the Turks at Chanak in 1922 without authority from her own parliament, the rights achieved by the Dominions to separate diplomatic representation and treaty negotiation, were all steps along the road to autonomy. The process was finally consummated by the Statute of Westminster in 1931 (see *As Britain Crowns a King*). The position then was that, although Great Britain held the diplomatic leadership, the Dominions were completely autonomous and on a theoretically equal footing with her.

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ARMED TO THE TEETH

With the removal of the Dominions' position of dependence upon England, the post-War

Daily Herald, London

problem arose of how to find a basis for common action between independent nations, united only by a common crown and a common tradition and with widely differing geographical interests. Support of the League of Nations supplied an answer. The Commonwealth's objective was peace; this was not for any necessarily idealistic reasons, but for the plain practical fact that the British Navy no longer possessed its world-wide supremacy, the Dominions were incapable of defending themselves against any major threat; the position of Australia, isolated in the Pacific with the British fleet concentrated in European waters, was symbolic. Hence, the members of the Commonwealth found a common interest in supporting the League; collective security promised the safety which they could not achieve as individual nations.

Issues at the Conference

This theory, however, worked better in theory than in practice as the League was gradually torpedoed, with Great Britain under the National Government playing no significant role in attempting to salve the wreckage of Geneva. Today, the League has no existence as a political reality. It is also clear that the National Government realizes this, whatever professions it may occasionally make to the contrary. The problem before the present Imperial Conference, therefore, is to find some basis of unity between the extremes of forming the Commonwealth into a defensive and offensive military alliance and of the Dominions simply following their own geographical interests as independent units.

Biasing their conclusions towards the former solution, the delegates will find the present British rearmament program as the most convincing argument; it promises to provide an umbrella under which they may safely scramble for security. But, as counterweights to this, there are several considerations: In the first place, there is the question of the costs of these arms. Dominions will not presumably derive the benefits unless they make their respective contributions; those contributions they will not make unless they are satisfied with British foreign policy. Just here comes a rub. The British Government has displayed in its foreign policy a clear predilection for the support of purely national interests rather than of imperial ones; its policy in the Italo-Ethiopian and Spanish civil wars demonstrate that; it has not even shown a marked solicitude for the support of democracy, to which most of the Dominions are wedded. As a consequence, large elements in the Dominions fail to see where their own national interests can be furthered by a close tie-up with the Mother Country, and,

are not only opposing the idea of a military alliance but also demanding the right of neutrality in case of war.

These issues will underlie all the deliberations of the Conference, and sentiment and tradition, supported by a huge arms program, will be counterposed to separatist nationalist interests and liberal dislikes of the National Government's policy in the search for a new formula of unity.

Disciplining Japanese Politicians

WHEN the Japanese Army abandoned an ambitious military venture in Inner Mongolia and trekked eastward back into Northern Chahar and Manchukuo many observers were reassured that Japan had changed tactics in dealing with China. For the first time in six years it appeared that Japan would conciliate China rather than force her. Premier Senjuro Hayashi had promised a "friendship drive" on China, and many hailed the military turn-about in Mongolia as concrete evidence that the Premier and his Cabinet possessed the power to bring such a policy to fruition. Subsequent events, however, proved this hope to be false.

On the last day of March the Japanese militarists turned the heat on the civilian politicians. Without warning, Premier Senjuro Hayashi and his Cabinet of army puppets dissolved the Diet and ordered new elections "to promote an awakening in the political parties." Few informed persons were taken in by this euphemistic explanation. Since the opening of the Diet on Jan. 20 the military had ridden roughshod over the squealing political body, shoving through the most important Government bills including, of course, a monstrous appropriation for armaments. In every way the military had received satisfaction from the politicians. Their quarrel was not with the final result but with the speed with which the final result had been attained. The two chief parties, the Minseito and Seiyukai, in their pressing desire to revise the electoral law, which in its present form gives the Government almost complete control of parliamentary elections, had had the temerity to play a little politics with one of the army's pet measures. In order to speed the election reform through the House of Peers the political parties in the lower house delayed action on a law designed to preserve military secrets. Japanese militarists denounced this political playfulness as rank "sabotage." To punish the parliamentarians the military dissolved the cabinet and sent the politicians out to face the nasty job of getting themselves elected again.

Unpleasant Surprise

The elections will be held April 30, and there are many who believe that the final outcome will turn the punishment of the politicians into a direct rebuke for the military high command. The Japanese citizen has not forgotten the army revolt of February 1936. Time has not restored his faith in the omnipotence of the army. Hidden beneath the carefully filtered official news and opinions the citizen finds much to disquiet him. As a tangible evidence that all is not well with the Rising Sun he has the galling burden of taxes and, most disheartening, the memory of the revolt and martial law. Some observers predict that it is this citizen and his fellows who, despite official pressure during the campaign and at the polling places, will return the new Diet more liberal, and with greater courage to divest the military of some of its power.

NOISE OVER THE NAZIS

Propaganda is hurled across the Atlantic and is a threat to our neutrality program

By THE EDITORS

IT WAS ironical that while Congress was soberly debating neutrality measures designed to surround the United States with an impenetrable hedge of olive branches, the Mayor of New York had set off a wave of unprecedently belligerent hysteria against Nazi Germany. Enthusiasts of all political colors jumped without discrimination on to a careening war chariot, the hectic direction of which was unpredictable, save that it would certainly never follow the narrow primrose path of pure neutrality. This irony is accentuated by the absence of any fundamental reason for antagonism between Germany and the United States as nations.

All of which would suggest the desirability of a diplomatic stock-taking on the part of the nations concerned. Americans cannot and should not be expected to condone the uncouth barbarities of Nazism as it finds itself today. But they can and should set the problem in its perspective and draw a reasonable distinction between National Socialism as an impermanent and extraordinary form of government and Germany as a continuing nation.

It is easy enough at this date to blame the Treaty of Versailles for poisoning the relations between Germany and the rest of the world. It happens, however, that that venal settlement *was* made and the post-War repression of Germany carried to a point at which it provoked a desperate reaction in 1933. There is no solution to be found in lamentations which inevitably start with the statement "If only. . . ." The situation consequent upon the Treaty must be accepted as an established, if unfortunate, fact. Nevertheless, America's relationship to post-War Europe and Germany in particular sheds light upon the present.

The general terms of the Treaty of Versailles are too well known to bear iteration; in the brilliantly courageous work, *The Economic Consequences of the Peace,* Mr. J. M. Keynes asserted as early as 1920:

> The Treaty includes no provisions for the economic rehabilitation of Europe,—nothing to make the defeated Central Empires into good neighbors, nothing to stabilize the new States of Europe, nothing to reclaim Russia; nor does it promote in any way a compact of economic solidarity among the Allies themselves; no arrangement was reached at Paris for restoring the disordered finances of France and Italy, or to adjust the systems of the Old World and the New.

Describing the economic dislocation of a continent already overcrowded and unable to feed itself, he continues:

> The danger confronting us, therefore, is the rapid depression of the standard of life of the European populations to a point which will mean actual starvation for some. . . . Men will not always die quietly. For starvation, which brings to some lethargy and a helpless despair, drives other temperaments to the nervous instability of hysteria and to a mad despair. And these in their distress may overturn the remnants of organization, and submerge civilization itself in their attempts to satisfy desperately the overwhelming needs of the individual.

Only for a brief period did it seem probable that the compelling logic of this prophecy might be recognized. That was during the days of the Dawes Plan and the Young Plan, of Ramsay MacDonald and Arthur Henderson, of Aristide Briand, and of Gustav Stresemann, when it seemed that the victors might abate their demands upon a Germany then willing to cooperate. But Stresemann's death in 1929 was more than

symbolic, and with the onset of the depression the period of cooperation passed. Thus the privileges that men of the ilk of Sir John Simon, obsessed by the letter of the law, refused to concede a still reasonable Germany, were grasped by main force by the fanatical desperation of the National Socialists, who came to power in 1933. And by January 1937 all the clauses of the Treaty of Versailles imposing disabilities upon the Reich's domestic sovereignty had been swept away by unilateral and bitter action; the Nazis had, in fact, fulfilled the pledges upon which they were elected and cemented their position by restoring Germany to the leading position in Europe to which her resources and extent entitled her.

The U. S. A. and Post-War Europe

Of all the Allies, the United States was the only nation which failed to gain any substantial strategic advantage from a peace settlement essentially concerned with the European balance of power. And, from a more abstract point of view, the Great War was a notoriously unsuccessful attempt to "make the world safe for democracy."

It is a further measure of the United States' lack of a vital interest in the primary aim of the peace treaties that this country never became a party to the determined attempts to deny Germany its natural position on the continent. The Versailles Treaty and the Covenant of the League were rejected, and separate treaties of peace signed with Germany and Austria in August, 1921. Further American participation in European affairs was all in the direction of mitigating the onerous conditions laid upon the Reich. The Dawes Plan, which came into force in 1924, provided for the evacuation of the Ruhr, attempted to reduce the payment of reparations to something approaching a practical basis, and represented the first constructive effort to restore the German economy. The Young Plan, ratified in 1930, placed Germany's obligations at a definite figure, abolished foreign control of Germany's affairs, and reduced greatly the system of payment in kind. The Hoover Moratorium of 1931 provided for the postponement of all intergovernmental debts and reparations for one year—a period which was subsequently extended indefinitely by the force of circumstances.

If this attitude is contrasted with the simultaneous American stand on the war debts—the payment of which the United States rightly demanded on moral grounds but which her tariff policy made impossible for economic reasons—it is clear that it was less a policy of altruistic generosity to a defeated foe than an implicit admission that a strong Germany comprised no threat to the United States. In short, American self-interest saw no necessity for the artificial maintenance of French hegemony in Europe. Nor are the American strategic lifelines threatened at any point by Germany, in the way that, for instance, they are by Japan in the Pacific.

Turning to economic matters, we find that in 1933, trade with Germany accounted for approximately 6 per cent of the United States' total of exports and imports, with a substantial balance in the favor of this country. With the possible exception of South America (where England is an even stronger competitor), there is no fundamental economic clash between the two nations, and the relatively small proportion of German trade tends to diminish the significance of the present conflict between the present American multilateral trade policy and the German conception of economic isolation and bilateral bartering; the unconditional most-favored-nation treaty, signed by the two nations in 1923 is a better index of their fundamental economic interests.

Similarly, when we consider racial relationships, it is apparent that there is no inherent conflict. The assimilation of varied races has been one of the essential conditions of American growth; this country has shared in Germany's cultural heritage, and nearly seven million persons of German extraction have fitted into the American pattern. There is, however, one qualification to this assertion: Americans

European

***OVEN PROPAGANDA:** Caricatures have always been an effective medium for propaganda. The figures shown above were modeled in toast crusts and bread crumbs by a New York baker and placed in his shop windows on Madison Avenue.*

have stressed their anglo-saxon allegiance, and when it has been a question of anglo-saxon or teuton dominance in Europe have preferred to back the former. At present, though, this question does not exist.

To sum up: There is no strategic, economic or racial basis for an inherent conflict between the United States and Germany *as nations*. The recent antagonisms are ideological and exist as between two different conceptions of government. Americans resent National Socialism for its savagely anti-democratic nature, for its barbarous treatment of minorities, particularly the Jews, and for the threat it presents to the maintenance of peace. And, as Nazi propaganda pours into Scandinavia, Poland, Belgium, the Danubian countries, and even Palestine, as Herr Hitler pursues his pan-German dream, they begin to think of the potential effects upon the many Germans living in the United States.

These ideological differences will not abate so long as Nazism is in the saddle, and Americans cannot be expected to sympathize with the present German régime. The question is, however, What can Americans do about it? The answer becomes more clear after an analysis of the actual effects of Nazism upon the relationships between the two nations.

America Reacts to Nazism

In 1933, when Hitler came to power assuming the title role of *der Führer,* many Germans who had bitterly opposed him sat

back to watch the responsibilities of the high office gradually modify the man's blatant vulgarity. But the reverse of their wishes came true. Hitler meant business. In April 1933 he clamped a wide-spread boycott on Jewish merchants. The ensuing months witnessed the application of Nazi action to correct those intolerable situations they had denounced in their climb to power.

In America, where one hundred and twenty million people had been whipped into a febrile crusade to make the world safe for democracy in 1917, the anguish of the Nazi victims found quick sympathy. Atheists and Catholics, communists and reactionaries banded together to scream in pain whenever a report drifted in that some Jewish gentleman had had his beard twecked in Berlin, or that a man who looked like a Jew had been locked up in some concentration camp. Even the masses of Jews abandoned their ancient policy of pacific resistance to persecution; they openly advocated retaliation. What weapons they employed in the United States to combat Nazism in Germany are well known.

Today, among politically conscious people Herr Hitler outranks even the latest movie sensation as a topic of conversation. In every discussion the same theme is played out with variations only in the caliber of intellectuality or ignorance. The intelligentsia arrive at the same conclusions as the unlearned tabloid reader: that the world would be well rid of Hitler, and that the German people are just spoiling for another good licking. Authorities, whether American professors or emigré artists and scientists, are indiscriminately quoted testifying to the perfidy of the Brown Shirts. In the fever to condemn all things German it is even forgotten that during the World War there also was no lack of authoritative talent to sanctify the bloody butchery on both sides.

With this anti-German spirit rising, the recent declaration of neutrality by the Congress of the United States seems a futile if bold attempt to utilize the experience gathered from the last war. It is a proclamation of defeatism and a belligerent gage thrown down to the future. However, in effect, the American citizens promise to be neutral in word and deed.

But nothing under the sun will persuade any peoples and least of all the American people to think neutral. Whatever conflict arises the alleged neutrals will pick a winner and cheer him on. Presently, however, we are doing something even more dangerous; we are picking a villain—a German villain.

Already impassioned groups have reported successes in an open economic warfare against the German people. From a relatively satisfactory export trade to the United States of $177,000,000 in 1930, German exports had been depressed to $77,740,000 in 1935 and showed signs of further depression in 1936. Anti-Nazi groups boast of this economic victory. The Jews rally with the cry that they are retaliating against the persecution of their race. They proclaim the boycott a humanitarian movement and invite the Catholics and the Protestants to join in since the latest Nazi developments would seem to indicate that Hitler and his men are readying something unpleasant for all religious and racial groups alien to the new German philosophy.

But more irritating than the boycott is the constant clamor raised by enraged groups of American Jews, democrats, liberals, communists, socialists, and troublemakers against the German people. Of course, they qualify their utterances with the assurance that it is only Hitler and the Nazis against whom they have leveled their hatred. Yet is it possible to attack a segment of a nation without attacking the whole nation? Recently Mayor La Guardia of New York lent himself and the prestige of his office to the anti-German outcry, by proposing that an effigy of Hitler be exhibited in a "chamber of horrors." The Nazi press was quick to respond with an intemperate protest of such fury and degeneracy as to imply that something more than just injured pride was at stake.

Quite naturally Hitler and his subordinates have made a determined if clumsy

effort to offset the hatred engendered in the United States against their policies at home and abroad. With the assistance of a few American-German societies, which numerically represent only a small proportion of the 6,900,000 persons of German extraction in the United States, the Nazis have spread propaganda in support and vindication of the Hitler government. In 1934, the House Committee on Un-American Activities collected an impressive sum of evidence establishing beyond doubt that the Nazis have actually attempted to extend their complete system of control to people of German origin in the United States. It was shown that during a rather stormy career since 1933 the Nazi drive on American-Germans has made little headway. Without the weapons of coercion so effectively used in the Fatherland the Nazis have had to content themselves with an educational program hardly persuasive enough to make the average German abandon American democracy. Through an organization called the "Friends of Germany" with some dozen local units in a number of large cities the Nazis sought to familiarize the American-German with the real "facts" concerning the Hitler régime. They have been known to parade and drill their members in uniforms resembling the Nazi regalia, and they have established a number of youth camps.

In addition to the Nazi Party, which has recently almost completely disintegrated in America, the German Government acquired another already established organization to supplement the "Friends" known as the "Steel Helmets." Upon Hitler's ascent to power this organization began to take orders directly from Berlin. With guns borrowed from the National Guard, the New York unit drilled in uniform and participated in other exercises calculated to keep old German army traditions untarnished. Investigation has shown them to be hardly a menace to American institutions.

Perhaps the most vital link between the Nazi organizations in Germany and in America has been the German ship lines. Despite official denials of Nazi activity, customs guards have seized propaganda from crew members; one package contained thousands of letters which were to be mailed in New York.

As a whole, the activities of the "Friends" have been something of a dismal failure. They have rarely missed an opportunity to discredit themselves from the blatant "Heil Hitlers" shouted during an investigation of their organization by the House Committee to their stupid flirtation with the "Silver Shirts." Under the auspices of the self-styled American Hitler, William D. Pelley, and his "Silver Shirts" organization, a former employee of the North German Lloyd distributed violent pamphlets among which was one that attacked Roosevelt by tracing his ancestors to a group of Dutch Jews.

All the German propaganda, however, has not been so crude. The I. G. Dyeworks paid Ivy Lee and his associates $25,000 a year for advice on the best manner and means of making Hitler more acceptable to the American people. Bluntly Mr. Lee informed them that Nazi policy could never be made palatable. He advised them as a last resort to persuade American foreign correspondents to send home more favorable reports on Nazi policies. Recent newspaper dispatches would demonstrate the futility of this stratagem. Another organization which, after a few preliminary crudities, turned to American guidance was the German Tourist Information. At first it simply denied all the nasty rumors pouring out of Germany. Later it hired Byoir & Associates, an American propaganda firm. Byoir toned down its pamphlets and ignored people's hostile attitudes by innocuously publicizing the charm and economy of traveling in Germany.

The latest reports of Nazi activity in the United States were recently presented by Congressman Dickstein, a gentleman who has spent much time in the last few years protecting Americans from alien bogy-men. Mr. Dickstein reports that today the chief Nazi organization in America is the German-American League led by one Fritz Kuhn, a chemist on leave from the Ford automobile works in Detroit. Its nation-

wide membership is about 10,000 of whom not more than 2000 own the uniforms of the *Ordnungsdienst.*

Although Representative Dickstein insists on calling them "Storm Troopers," the uniformed members are hardly anything more than ushers at various meetings held under the banners of both the Swastika and the American flag. From Dickstein's report it appears that instead of the Nazis subverting American democracy American democracy has subverted the Nazis. Although equipped with the full complement of Nazi ideas the missionaries to America have failed utterly to persuade the population of German origin to combine in Nazi formations. Without the truncheon and the concentration camp they are at some disadvantage. As a result the American Nazi movement has failed to attain a status of much more importance than the dozen or more hyphenated societies among the Chicago and New York Germans devoted to perpetuating the ties of the Fatherland.

Wherever these American Nazis meet they usually create a stir with vehement denunciations of the "lies in the press." As an inseparable ritual they circulate "the protocols of the elders of Zion," and the Nazi creed that "communism is a scheme to take the property of the Christians and give it to the Jews." However in Manhattan the meetings of the German-American League entice fewer than 2000 of the 200,000 German residents. Somewhat discouraged, the local Fuehrer Fritz Kuhn is now putting his faith in an appeal for unity among the German societies.

Conclusions

This survey prompts several conclusions. The first is that the mutual relationship between the two countries would be infinitely improved if each one decided to mind its own business to substantially larger degree than at present. Americans would thank the Nazis for keeping their fingers out of a pie that is not their own. It is unlikely that the Nazis would take this advice; but it is still true that the American Nazi movement has had a laughingly small impact upon politics in this country and that, if the democratic tradition here is threatened, it will be in danger from indigenous and not foreign forces. By the same token, the American desire to alleviate the position of the Jews in Germany is understandable and praiseworthy. It can be fulfilled in certain concrete ways—as, for example, by granting a refuge for exiles. But nothing will be achieved by splenetic anti-German outbursts which, if anything, only serve to worsen the position of the Jews under the Nazis and which simply allow America to be duped into a European family squabble by falling for the propaganda of the anti-German side. And such measures as economic boycotts merely increase Nazi desperation.

The truth of the matter, as far as this ideological friction between the two countries is concerned, is that there is nothing that the United States can do to change the present German Government—short of intervening in Europe to an extent that would outdo all former efforts of such a nature in South America. American opposition to fascist principles is praiseworthy, but only strictly effective within the boundaries of this country. If this is a counsel of impotence, Americans can find justification in the facts that German Nazism presents no serious threat to this political scene and, furthermore, that its native characteristics will necessarily limit its spread in Europe; its essentially German traits and its fallacious economic basis will prove more effective stumbling blocks than all the propagandist imprecations breathed from abroad.

Finally, Americans who realize that a European war cannot leave them unscathed and resent Nazism as a threat to peace, should apportion the blame for this pathological growth among the nations who helped bring it about through their greed—and Americans have not themselves been entirely innocent. For it is premature and undiscriminating for a professedly pacific people to deliver quick-trigger judgments upon a whole nation with whom there is no inherent basis for antagonism—for strategic, racial, or economic reasons.

Japan's Halfway House to Fascism

There is just enough freedom of speech for the bold to say that there is none

By WILLIAM HENRY CHAMBERLIN

TWO grave crises within the term of a single year indicate that a process of ferment is at work within the Japanese body politic. The first and more spectacular of these crises was in February, 1936. A group of fanatical young officers, followed by about a thousand troops of the First and Third Regiments of the Tokyo Garrison, assassinated two of Japan's most eminent senior statesmen, the Minister of Finance, Korekiyo Takahashi, and the Lord Privy Seal, Viscount Saito, together with a General, Jotaro Watanabe, whose views were considered too moderate. They made unsuccessful attempts on the lives of other public men, the Premier, Admiral Okada, only escaping because his brother-in-law was mistaken for him and killed in his stead. The rebellious troops barricaded themselves in a number of public buildings in the centre of Tokyo, including the War Ministry and the Metropolitan Police Board.

Their surrender was only brought about after four days of nerve-racking, inconclusive negotiations and after overwhelming numbers of loyal troops with tanks and artillery had been brought up to surround their positions. The February 26 outbreak was the climax of a series of actual and attempted acts of murder and violence, carried out by extreme nationalists within and without the Army. The professed motivation of these acts was discontent with the insufficient attention of the Government to questions of national defense, with the corruption of the political parties, and with the failure of the Government to relieve the destitution of the people, especially of the peasants. The psychology of the young officers who were mainly implicated in these outbreaks was a curious mixture of political reactionism and social radicalism.

The February 26 revolt was a shock to the senior Army officers, as well as to the whole nation. Political assassination *per se*, if it could plausibly be represented as inspired by patriotic motives, has always been regarded rather lightly in Japan. A cynic might even suggest that the Japanese public acts on the theory that the political murderer is always right. In many previous cases there was more visible sympathy with the assassin than with his victim.

But there were two elements in the February 26 affair which seriously undermined the foundations of Japanese military discipline. Troops were moved without the authorization of the supreme commander-in-chief, the Emperor. And an Imperial command to lay down arms and return to barracks did not meet with instant obedience. These considerations were largely instrumental in inducing the court martial which sat in judgment on the mutineers to mete out 17 death sentences, of which 15 were carried into execution.

While the Army carried out this purge of its own ranks, the new Cabinet, formed under the Premiership of Mr. Koki Hirota, the former Foreign Minister, made substantial concessions to the desires of the military and naval leaders. The Army and Navy budgets, which together absorbed almost half the previous budget, were sharply increased, that of the Army by over 40 per cent, that of the Navy by almost 25 per cent. Hirota also committed himself to a number of measures which the Army desired, such as the promotion of emigration to Manchukuo, rigorous state control of the electrical power industry, shifting of

the burden of taxation, to some extent, from rural to urban districts, and "administrative reform." This last suggestion is one of those ambiguous phrases which are so common in Japanese political life. It may mean anything, from minor changes of detail to sweeping reorganization of the governmental machinery along fascist lines, which some of the younger Army officers are believed to desire.

Hirota's Fall

The Hirota Cabinet was formed as a compromise between the Army and the more moderate political forces in Japanese life, such as the parties and the business interests. But it failed to survive in the atmosphere of strain and bitterness which characterized the opening of the Diet in January. A number of developments in finance, economic and foreign policy had increased popular dissatisfaction and sharpened the tongues of the deputies who rose to question the Government's policies.

The signature of an anti-communist pact with Germany in November, 1936, was generally regarded as untimely, if not unwise in itself, because it gave the Soviet Government an excuse to postpone indefinitely the signature of a long-term fisheries agreement which had been concluded along lines quite favorable to Japan. The Soviet Government gave further concrete evidence of its dissatisfaction by stopping pig-iron deliveries to Japan and interposing various obstacles in the way of Japanese shipping and trading interests in Vladivostok.

The efforts of Finance Minister Eiichi Baba simultaneously to satisfy the demands of the Army and Navy for more money and to still the appeals of the rural communities for tax relief by transferring some of the local tax burden to the accounts of the central government, led to the proposal of a budget of record proportions, amounting to 3,038,500,000 yen. (The budget of the preceding year called for appropriations of 2,272,500,000 yen. The value of the yen, at present rates of exchange, is about 28½ cents.)

Baba's swollen budget contributed to an inflationary rise in prices; the increased taxes which he proposed to levy on tobacco, textiles, and other articles of general consumption also helped to increase the cost of living and the popular discontent. A severely restrictive measure limiting import purchases, which he introduced for the purpose of checking a declining tendency in the value of the yen, was unpopular in business circles.

Soon after the Diet opened its sessions, Mr. Kunimatsu Hamada, veteran member of one of the two chief Japanese political parties, the Seiyukai, denounced Army interference in politics in unusually bold and outspoken terms. He recalled that the Emperor Meiji had ordered soldiers to abstain from politics and accused the Army of being imbued with the "ideology of dictatorship" and the Government of promoting the growth of fascist tendencies.

The War Minister, General Count Terauchi, took offense at Mr. Hamada's criticisms and demanded that the Diet be dissolved. The majority of his colleagues in the Cabinet preferred the milder course of the resignation of the Cabinet. The Army leaders again showed their power by vetoing the first candidate whom the Emperor, on the advice of the venerable Genro, Prince Saionji, entrusted with the responsibility of forming a Cabinet. This was General Kazushige Ugaki, whose appointment was greeted with approval by the political parties and the press.

Under a normal constitutional régime Ugaki could have easily formed a Cabinet and obtained a vote of confidence in the Diet. But it is required under Japanese constitutional practice (although not stipulated in the written Japanese Constitution) that the posts of War Minister and Navy may only be held, respectively, by a General and an Admiral in active service. This practically gives either of the fighting services an unlimited veto right in the formation of a new Cabinet. The corporate spirit among Japanese military and naval officers is so strong that no officer would accept office in a Cabinet without the approval of the majority of his colleagues. This ap-

Black Star *Pictures* *Pictures*

THE DEVIL, THE PREMIER, AND THE DEEP BLUE SEA: Premier Hayashi (center) ponders his unenviable position between the Army extremists (the figure on the left is not carrying a ploughshare) and the moderates, of whom Prince Saionji (right) is a leader.

proval was withheld in the case of General Ugaki, partly because he was considered too close to the political parties and hence unlikely to take a stiff, unyielding view on questions of military appropriations, partly because he had made some personal enemies in the higher ranks of the Army during some earlier factional disputes.

It is characteristic of the dual nature of Japanese political life that, while the Army can thwart the nomination of a Premier whom it dislikes, the power of initiative, of suggesting candidates for the office rests with Prince Saionji, who has always retained a strong tinge of liberalism as a result of his education, as a young man, in France. When Ugaki was rejected, Saionji's second choice was General Senjuro Hayashi, who had served as War Minister in the Cabinet of Admiral Okada during 1934 and 1935. General Hayashi, while he is a typical old-fashioned soldier, is not a fire-eater and is not particularly associated with the state socialist ideas which are popular among the younger officers.

"Mild and Mediocre" Hayashi

During the early period of his administration General Hayashi has steered a cautious middle-of-the-road course, both in foreign and in domestic policy. If he has indicated no positive solution for Japan's pressing diplomatic and economic problems, he has also abstained from any statement that would be calculated to exasperate the Diet or to cause hostile repercussions in foreign countries. "My ideas are mild and mediocre." So runs a possibly too literal translation of one of Hayashi's replies to an interpellation in the Diet. It conveys a fair impression of the line of policy which he has pursued during the first weeks of his Premiership.

The business interests were conciliated by the appointment of a new Finance Minister, Mr. Toyotaro Yuki, former head of the Industrial Bank of Japan. Yuki has abandoned some of the more objectionable features of his predecessor's policy and has obtained a slight reduction in the budget, mainly at the expense of the rural communities, which will receive a smaller measure of tax relief than they had expected. The Diet, on its part, has not taken an openly antagonistic position in relation to General Hayashi's Cabinet. Criticism has been free; but there has been no effort to tamper with the military and naval appropriations.

So now, as for a time under the Hirota Cabinet, there is a period of calm and truce. That this period can last indefinitely is most improbable. For Japan today is the arena of constant struggle between two contending groups, which, for lack of better terms, one may characterize as extremists and moderates. And this struggle seems certain to become accentuated as the question of who is to pay the high costs of the

venture in imperialism on which Japan embarked with the seizure of Manchuria in 1931 comes more insistently into the foreground.

The two most articulate elements in Japanese public life today are militarism and big business; and, with certain exceptions and reservations, these forces may be identified respectively with the extremists and the moderates. In the camp of the extremists one may reckon a considerable part of the Army officers, especially of the men in the junior grades of the service, together with the members of the many small organizations which preach uncompromising nationalism. The Navy stands with the Army in upholding traditional nationalism and in maintaining its professional interests by securing the maximum appropriations for new naval construction. It differs from its brother service, however, in being much less inclined to favor any drastic change in the existing political and economic order. The Navy stood by, ready for action on behalf of the legal government, during the days of crisis in February, 1936. The Navy Minister, Admiral Nagano, favored the moderate solution of Cabinet resignation, not the drastic method of dissolving the Diet during the more recent crisis.

Japan's Extremists

What is the program of Japan's extremists? It is not in keeping with oriental psychology to draw up the precise blueprints of new social orders which one sometimes finds in the more concretely minded West. But a fairly accurate idea of the leaven which is at work among Japan's military radicals is conveyed by the following excerpts from one of several pamphlets on general political, economic, and social questions which have been published by the Press Department of the War Ministry:

> The present economic system has been developed on the basis of individualism. For this reason economic activities tend to serve only individual interests and do not always harmonize with the general interests of the state. The extreme emphasis on free competition may be a danger, arousing antagonism between the classes.
>
> Wealth accumulated by a minority causes misery among the masses, strikes, the failure of small industrial establishments, the ruin of agriculture; and all these factors upset the balance of our national life. . . .
>
> Finance and industry should be co-ordinated so that we can derive the full benefit from our natural resources, our industrial development, our foreign trade and from the measures adopted for national defense. . . . It is desirable that the people should abandon their individualistic economic conceptions; instead they should recognize the importance of a collective economy. . . . The state should rigidly control the entire national economy.

In this Army radicalism there is a strong note of anti-capitalism. Some of the more prominent Japanese industrialists and financiers left Tokyo and even went into hiding during the troubled days of the February 26 outbreak. Back of this anti-capitalism one can recognize three distinct elements. There is the traditional contempt of the Japanese medieval warrior *samurai* class for trade; many of the Japanese officers are descendants of old *samurai* families. There is the bitterness of the impoverished countryside against the more prosperous city. A high percentage of Japanese officers and men come from country districts. Finally, there is the influence (for Japan is very imitative) of Germany and Italy, the widespread feeling that the ideal maximum of national defense preparation cannot be reconciled with an individualist economic system.

The Moderates

On the side of the moderates are most of the Japanese business men, the political parties, the senior statesmen of the type of Prince Saionji and Count Makino, the majority of the diplomats. They stand for a pacific foreign policy, aiming at commercial advantages rather than political expansion, for some limitation of the growing military and naval expenditures, and for the maintenance of the economic status quo.

The line of opposition between Japan's extremists and moderates is not altogether clear cut, and this is probably the chief reason why the successive crises which have occurred up to the present time have ended in compromises, not in a decisive victory of one group over the other. Whatever may

be the ideas of some of the more impetuous junior officers, the majority of the senior generals are by no means anxious to wring the neck of the capitalist goose that lays golden eggs for them with every new budget. They know that any sweeping measures of nationalization or confiscation would cause serious dislocation in the nation's delicately adjusted mechanism of foreign trade and credit and that such a dislocation would have harmful consequences, from the standpoint of national defense.

In the same way, the majority of Japanese business men and politicians are by no means averse to a strong nationalist foreign policy, provided that it can be carried out without too great risk and too great cost. Some business interests are directly benefiting from the large munitions and shipbuilding orders which are a natural consequence of the enlarged armament program. While it is a debatable question whether Japanese economy as a whole would show a profit or loss from Manchukuo there can be no doubt that many Japanese firms have made handsome profits from the vast expansion of trade with Manchukuo which was made possible by the Army's strong forward policy in 1931.

Yet, despite the relation of interdependence which has thus far prevented Japan's extremists and moderates from actually flying at each others' throats, criticism of the Army is today more open and widespread than it has been in Japan since the seizure of Manchuria started Japan on a career of outward expansion and internal extreme nationalism. It has been a long time since a Japanese Diet has heard such strong words of criticism as Mr. Yukio Ozaki, one of its oldest members and a consistent radical democrat throughout his long career, uttered during a recent speech:

> In all first-class nations the Army and Navy observe strictly the limits of their competencies. When we come to second-rate and third-rate nations we see that the armies and navies have a voice in politics. Spain is a good example, and hence there is a horrible civil war in that country. It is only in recent years that Army men have acted without the command of His Majesty the Generalissimo. No one ordered the May 15* or February 26 Incidents. The Army would do well to repent, close its door and remain silent. There is talk, to be sure, of disciplining the Army, but we fail to see any indication of this.

One of the reasons for the mild reaction against Army domination which is perceptible in Japanese public opinion today is that the costs of empire are becoming painfully apparent. For a time these costs were disguised, because the large deficits, usually ranging around 30 per cent of the entire sum of appropriations, which have characterized every Japanese budget since the occupation of Manchuria in 1931 have been covered by borrowing. Now the Army and Navy demands have reached a point where additional taxation must supplement borrowing. Japan has a very modest standard of living; and the subtraction of a few yen from the income of the laborer, the peasant, and the clerk or small shopkeeper through higher taxes or increased prices is keenly felt.

Another consideration that perhaps carries more weight with the educated classes than with the masses is that Japan's masterful policy on the mainland of Asia has brought neither assured domination nor real security. Japanese pressure has evoked counter-pressure. The Soviet Union, with its large, well-equipped Far Eastern Army and its hundreds of bombing airplanes, within flying range of Tokyo and Osaka, is a greater potential threat to Japan than it was before Manchuria was occupied. The arming in China and the rise of nationalist spirit in that country are direct reactions to Japanese expansion. The rushing to completion of Great Britain's huge naval base at Singapore is also clearly directed against Japan.

Halfway to Fascism

Japan's political structure today may be accurately described as a halfway house to fascism. Alone among the larger powers it defies classification either as a dictatorship or as a democracy. It is not a dictatorship in the generally accepted sense of the term

*On May 15, 1932, a band of nationalist officers assassinated the Premier, Mr. Tsuyoshi Inukai, and carried out other terrorist acts and demonstrations.

because there is no dictator, no individual who, in scope of personal power, could be remotely compared with Stalin, Hitler, or Mussolini. Even the Army, which wields so much obvious power, is a rather impersonal organization. There would seem to be no embryo Bonaparte in its ranks. Its decisions are not those of an individual, but rather of a collective group of senior generals, who are themselves obliged to take into consideration the mood of the middle and lower ranks of the officers' corps.

Japan's achievements in mass propaganda and mass terrorism, while not altogether lacking, are far inferior to those of Germany, Italy, or Russia. In the really efficient post-war dictatorship not one word of written or publicly spoken criticism of the existing régime may appear. The Japanese press is often gagged and curbed; yet many influential newspapers were quite outspoken in their criticism of the Japanese-German pact against communism, and the speeches of Ozaki and other opponents of the Army in the Diet are printed in detail and receive nationwide circulation.

If Japan is not a dictatorship, it is even more clearly not a democracy. Elections, while relatively free, have become almost meaningless. The present Cabinet does not include a single member who is affiliated with a political party. The role of the Diet has been reduced to that of a powerless and irresponsible forum of criticism. There is just enough freedom of speech for an unusually bold editor to announce occasionally that there is no freedom of speech. Since the February 26 outbreak the police has enjoyed a freer hand in its favorite occupation of spy-hunting. The atmosphere of secrecy about state affairs and decisions which is the invariable hallmark of the dictator-ruled country is increasing in Japan.

Some features of Western fascism are already discernible in Japan. Discipline and regimentation are assured by the wide powers exercised by the police. The cult of militant patriotism is very strong in Japan; every schoolboy knows the story of the three "human bombs." These were Japanese soldiers who tied explosives around their bodies and rushed forward to certain death in order to blow up barbed-wire entanglements which were holding up the Japanese advance at Shanghai. Fondness for long-term planning is another characteristic which present-day Japan shares with the communist and fascist dictatorships. The portfolios of Japanese bureaucrats are fairly bursting with blueprints for the future. Among these one may mention a five-year plan for the rehabilitation of the depressed Tohoku (the north-eastern provinces of Japan), a fifteen-year plan for South Sakhalin, a twenty-year plan for Hokkaido.

But, in the absence of a strong leader and a large mass party, which experience has thus far revealed as indispensable pre-requisites of a fascist régime, Japan still stands midway between the parliamentary system which was upset by the Manchurian adventure of 1931 and some form of full-blown totalitarian state. It is not improbable that the present confused pattern of Japanese political life, product of the interaction of so many conflicting forces, will become simpler and clearer when Europe chooses more definitely between the alternatives of war and peace. A triumph for the forces making for peace in Europe would strengthen the hands of Japan's moderates. The ideas of the extremists would gain added weight in the event of a major European war which, by weakening the amount of force which Great Britain and the Soviet Union could bring to bear in the Far East, would make much easier the realization of Japan's expansive dreams.

THIS SUPREME COURT MUDDLE

The real issue—people's confidence in the court—has been lost in the clamor

By M. E. TRACY

PRESIDENT ROOSEVELT'S plan for revising the Supreme Court is admittedly an expedient designed to achieve temporary results. It appears to rest on the following assumptions: (1) The New Deal must be continued; (2) The Supreme Court, as presently organized, stands in the way of this; (3) Some kind of reorganization, therefore, becomes necessary; (4) The emergency is so great as to leave no time for a constitutional amendment.

These assumptions are supported by the argument that the American people endorsed the New Deal last November; that is undoubtedly true in a general sense of the word. It would be unsafe to conclude, however, that this meant endorsement of such specific measures as might be proposed in the name of the New Deal. The people did not know, and could not know, what those measures would be. They did not know, for instance, that a plan for revising the Supreme Court would be presented so soon after the inauguration. But they did know that the NRA had been outlawed, and that, too, by unanimous vote of the Court. Whether they believed that a substitute for NRA would be, or ought to be, proposed is a matter of pure speculation. So, too, is the question of whether they believed that the personnel of the Supreme Court should be so changed or increased as to make going easy for a new NRA and similar measures.

The strength of President Roosevelt's plan lies in the widespread dissatisfaction with the Supreme Court's attitude toward New Deal legislation, which represents nothing new or unparalleled in our political record. There was widespread dissatisfaction with the Dred Scott decision and the Income Tax decision, the former of which was rendered more than eighty years ago. The late William J. Bryan was a severe critic of the Supreme Court, and the late Theodore Roosevelt was so perturbed by the extension of judicial power as to suggest the desirability of recalling judicial decisions.

The weakness of President Roosevelt's plan is revealed by two simple facts: If it were put into effect, we would still have a partisan court with power to declare laws unconstitutional by the opinion of a bare majority. We would still be able to quote members of the Court to prove that the Court was wrong, just as the President did in his fireside chat a short time ago.

The addition of any number of judges necessary to create a "liberal" majority on the Supreme Court would not alter in any respect the most disturbing element of this entire situation. Nor does the fixing of an age limit for retirement of justices promise much different, or much better, results. Some men are younger at eighty than others are at fifty, while some are more reactionary at twenty-five than others are at seventy-five. The factor of age is just as important in growth as in decay. We do not permit persons under 21 to vote, or persons under 25 to serve as representatives in Congress. But once admitted to citizenship, they can vote as long as they are able, physically and mentally, to exercise the privilege. We fix no age limit for citizens, representatives in Congress, Senators, or even Presidents at the end of life. Our only concern is that they should be old

enough to have some sense at the beginning. The question of how old a justice of the Supreme Court should be at retirement is of no greater consequence than is that of how old he should be when appointed.

The Theory of Justice

The real source of discontent, doubt, and dissatisfaction, and, therefore, the real issue in this controversy, is not whether the Supreme Court should be so manipulated from time to time as to change its attitude toward the Constitution, but whether it should exercise the power to declare laws unconstitutional in such a way as to preserve public confidence.

Loss of faith in the wisdom of allowing the Supreme Court to declare laws unconstitutional is definitely traceable to the divided opinions it has rendered and to the conflicting ideas which members of the court have expressed. In each instance where this has been done by a 5-4, or even a 6-3, majority, people favoring the laws that were declared unconstitutional have found it possible to support their own views and thus cast doubt on the decision by referring to minority opinions and by asserting that the justices who expressed them were just as able, just as patriotic, and just as loyal to the Constitution as were those constituting the majority.

As long as this situation continues, we are bound to suffer from an increasing lack of faith, not only in the Supreme Court, but in the Constitution it interprets, and for this the Roosevelt plan provides no remedy.

But opposition to the President's plan of court revision because of its imagined perils does not seem to be well founded. As a matter of common sense, the plan promises little of either good or ill, except by way of establishing a precedent. The precedent, however, has already been established. More than once we have had a reorganization of the Supreme Court through an increase or decrease of membership for the express purpose of altering its attitude toward some particular measure, program or policy. The practice of allowing the Supreme Court to declare laws unconstitutional by a mere majority opinion is inconsistent with our theory of justice. As a general proposition, we insist on unanimous jury verdicts for the conviction of even minor criminals. We do this in order to be as sure as is humanly possible of the right result. Should we be less exacting with regard to the validity of laws passed by the national legislature? Is the nullification of a Federal statute less important than the conviction of an ordinary thug or murderer? Should we permit it to be done by a 5-4 majority when we hesitate to sanction such a thin margin in the case of a chicken-thief?

The basic idea of enforcing constitutional guarantees by judicial decree is sound. Indeed, it represents an essential safeguard. The Constitution might well become meaningless without it, since the chief purpose of the Constitution is to prevent the rise of a tyrannical government by circumscribing the powers of government and by prohibiting governmental agencies from going beyond certain bounds. If we could trust the legislative branch of the government to be wise and equitable without restraint, it follows as a matter of course that we would need no Constitution. If we could trust unified government with unlimited power, except as it might be guided by public sentiment, the same thing is true. A written Constitution is of no value except as it affords the citizen the right to appeal if, as, and when he believes some unjust law has been enacted. How could he do so, except through the courts, and how could the courts afford any relief except by declaring such a law invalid providing, of course, his complaint were sound?

Democracy and Unanimity

The right of citizens or groups of citizens to appeal under the Constitution, however, and the power of the courts to grant them relief, if relief is merited, should be exercised with great care and should be surrounded with exactly such safeguards as we apply to other functions or branches of government. The right to appeal and the power of the court to grant relief should

Pictures

***MEN IN BLACK:** Members of the Supreme Court on their way to the inaugural of President Roosevelt. "The real issue is not whether the Supreme Court should be so manipulated as to change its attitude toward the Constitution, but whether it should exercise the power to declare laws unconstitutional in such a way as to preserve public confidence."*

not rest on such a division of opinion, or such a thin margin of judgment as we refuse to tolerate even in minor cases.

If the unconstitutionality of a law is not sufficiently apparent to impress all judges on the Supreme Court, it is not sufficiently well founded to warrant the law's abrogation. When we come to such an important function as the absolute veto of laws passed by the Congress, we should insist that there be no question about the wisdom of such veto. We should know that, insofar as human faculties make it possible, the decision is sound, impartial, and based solely on the recognition of the popular will as expressed in the Constitution. In no other way can we preserve confidence in the Constitution, respect for the Supreme Court, and the stability of our political system.

There is ample warrant for believing that some change should be made in the relations between the judicial and the legislative branches of the government; that the Supreme Court enjoys a freedom of action in declaring laws unconstitutional which is out of harmony with the seriousness of its function in that respect, and that the function should be made sufficiently difficult to guarantee the wisest result. There is ample warrant for believing that this freedom represents a source of peril rather than a source of stability.

It is quite true that a constitutional amendment would take some time not only to ratify but to frame, and it is quite true that no constitutional amendment has been proposed on which a large section of the public, or even a large section of Congress,

seems willing to agree. But we face a grave question as well as an emergency, and as between the two, the question merits more attentive consideration. If it is the intent of those in authority to forestall and prevent emergencies rather than to meet them as they arise, then the underlying question of so adjusting the relations of the Supreme Court to other branches of government as to command the greatest possible degree of public confidence and respect becomes all-important. That those in responsible positions take such a view of the case is vividly illustrated by the number of constitutional amendments that already have been suggested in one form or another—more than forty of them—ranging all the way from popular election of Supreme Court justices to freezing the court in its present number.

The number of justices in the Supreme Court, or even the method of their selection, would seem to be of less consequence than the rule of unanimity, or near unanimity, in declaring laws unconstitutional. Of all amendments thus far proposed, that offered by Senator Norris of Nebraska appears to be the most logical. It would demand a majority of more than two thirds for the Supreme Court to declare a law unconstitutional. Though this would be an obvious improvement, there is room for doubt as to whether it goes far enough. Why not absolute unanimity? Why leave the slightest room for doubt, skepticism, and dissatisfaction? Why not insist that, when we come to such an important function of the court as nullifying a national law, it must meet the most exacting conditions? Why not an amendment like this:

> The power of the Supreme Court to declare laws unconstitutional is hereby recognized and confirmed, but only by unanimous vote of the Court.

Before Judiciary Committee

The following are excerpts from the hearings before the Senate Judiciary Committee on President Roosevelt's proposal to enlarge the Supreme Court:

Raymond Moley: "I am for an amendment, not usurpation by Congress."

Senator La Follette: "The need today is not to amend the Constitution but rather to amend the Supreme Court."

James M. Landis: "His proposal recognizes an issue of men whose interpretations of that document [the Constitution] make it a straight-jacket upon our national life."

Senator Walsh (Dem., Mass.), at Carnegie Hall: "It is calculated to destroy the Supreme Court as a separate and independent judicial branch of the government in which the final judicial power was vested by the Constitution."

Democratic National Chairman **James A. Farley**, in North Carolina: "It seems to me that the reorganization plan comes directly into the class of those matters on which party loyalty should be the guiding principle."

Harold Willis Dodds, President of Princeton University: "The present proposal to enlarge the Court has been defended on the ground that to amend the Constitution would take too long, and that the plan before you opens up the necessary by-pass. Millions of Americans are hoping that the Congress will not succumb to this philosophy. The spirit of the world is too antagonistic to our democratic tradition to permit us to think that we can remain immune if we once abandon the rigors of constitutionalism for the facile argument that the end justifies the means. . . .

"Shrewd and forceful political leaders (as distinct from conventional political bosses) thrive on emergencies when they know how to take advantage of them. When the political waters of the world are stagnant, any leader or party which can create an emergency may be the instrument of progress. . . .

"An emergency must be a serious one indeed that justifies a repudiation of the principle of constitutionalism in a democracy. . . ."

AS BRITAIN CROWNS A KING

Last December's storm has subsided but problems loom before the Empire

By S. K. RATCLIFFE

AN ABLE American journalist, looking upon England last year, observed that no people in Europe could possibly be as secure as the British people believed themselves to be. This was an acute remark, but it calls for both correction and amplification. Mr. Walter Millis in London was misled by the outward behavior of our folk. He found us content to think ourselves safe and was baffled by English complacency. Actually, however, at that very time the instructed public—far larger than it was a quarter of a century ago—was gloomy and anxious, deeply concerned about the future—perhaps for the first time in a century, except during a few weeks in the black spring of 1918. Today, undoubtedly, the country as a whole feels the assurance of recovered security. Mental depression was the mark of 1936; and at the end of that year, to the amazement of the world, Britain was struck by a tornado of terrific force. The central institution of the Empire was shaken. It is probably true that the majority of people outside England deemed the monarchy to be discredited and felt that the one imposing throne which survives in England would never be the same again. But the ship of state righted itself within ten days and—although the reasons are only in part related to the events of last December—the fact of the moment is that Britain, justifiably or not, is some degrees less apprehensive than she was twelve months ago.

I will come to the reasons for so significant a change at the end of this article. First let us consider the more important aspects of the monarchy crisis, as England sees them after a six-months interval, and the results of that extraordinary upheaval in the British system generally.

To an Englishman who was in the United States throughout the winter, it was manifest that the American public was impressed (and, I think, somewhat shocked) by the smoothness and finality with which the institutions of Britain operated from the moment when King Edward made the direct issue by announcing his purpose to the Prime Minister: "I intend to marry Mrs. Simpson, and I am prepared to go." When he spoke those words, with the plain implication that he had no thought of resisting the Cabinet in order to make Wallis Simpson Queen of England, the King was already beaten by the weight of the authorities and institutions he had challenged.

In the March number of *Current History* (p. 116), two editorials were quoted, one from Canada and the other from China. They were enthusiastically pro-Edward, and since they expressed a sentiment which we know to have been both widespread and deepseated, it is worth while to restate here in the shortest space what a famous English statesman would have called the main and governing facts of an unparalleled situation.

(1.) There was an immediate and general realization that a lady who, apart from every other consideration, carried the handicap of a second, and uncompleted, divorce could not be acceptable as Queen of England. The King realized this from the opening of the discussion and, realizing also the impossibility of his own proposal—a morganatic marriage—he decided not to precipitate the constitutional crisis which would have been unavoidable if, repudiat-

N. Y. Public Library

PLUS ÇA CHANGE—: Queen Elizabeth, who was crowned three hundred years ago and whose reign saw the rise of Britain's sea power and the defeat of the Spanish, and her No. 1 naval man, Sir Francis Drake, who in Seymour Lucas' famous painting, coolly continues his game of bowls as the Spanish Armada is sighted.

ing the advice of his Ministers, Edward had gone defiantly ahead. He was compelled to choose his course without delay. If he had been merely reckless, he would have added a short and sharp final chapter to the long history of the conflict between King and Cabinet, between Crown and Parliament. There could have been only one ending to a struggle of that kind. It is a very old story in England.

(2.) A central point in the whole affair is this: that the King did not make a stand for Mrs. Simpson as queen-consort. His first definite statement to Mr. Baldwin and his early proposition of a morganatic alliance (submitted at the instance of three newspaper barons) puts this leading fact beyond dispute. Nor could he make out any case for his own suggested solution. It is hard, indeed, to believe that he had genuinely persuaded himself to accept so glaringly incongruous a compromise as a wife of legally defined inferior status, with all claims surrendered. The plan was not arguable for a single day. There is no morganatic marriage in English law; Parliament would not discuss a bill to make it possible; the free Dominions could not look at it. The charge has been made that Mr. Baldwin put this particular query to Ottawa and Capetown and Canberra in his own fashion, and that the public voice of the Dominions was not heard at all until after the whole affair was settled. That may well be true. Mr. Baldwin, by his own admission, departed in October and November from the strict line of constitutional practice. But the hazards and mistakes of a Prime Minister during those critical weeks do not affect the question or the result. Queenship and semi-queenship were alike judged to be remote from actuality, and Edward did not seek to upset the judgment. The essential point here is that by the time the distracted King was left alone, during the bitter week-end at Fort Belvedere, to

Black Star *Pictures*

—PLUS C'EST LA MÊME CHOSE: Another Queen Elizabeth who comes to the throne of the only remaining one of the old empires, and the First Lord of the Admiralty, Sir Samuel Hoare, whose figure-skating weekend in Switzerland in November 1935, as Mussolini was carving out a rival empire, is now legendary.

make his own decision, the problem had been reduced to a single stark alternative—to give up the lady or to relinquish the throne.

(3.) When the full history of the abdication comes to be written, the marvel of that choice, for this King of England, will not seem less baffling than it is today. Edward the Eighth was the only monarch of his time who had attained an absolute popularity. The press, the radio, and the films had combined to make him universally known. He occupied the one throne of the world that is always news, and his personal qualities were of the special kind which, in some indefinable way, can reinforce all the instruments of publicity. He was altogether English and yet, as the common people everywhere understood from the beginning, he was completely out of tune with the established forms and the prevailing atmosphere of the Court and English society. He was born to the most conspicuous position in the world and—at least according to the majority belief of England and America—gave promise in young manhood of filling it with a refreshing success. But if anything in King Edward's unexampled affair can be accepted as clear, it is this: that the splendor and dignity of the heights meant nothing to him. He felt himself to be unfitted for the kingly office, and so became that wonder of the age—the only King of England who has voluntarily surrendered his throne.

Is there any mystery in the personal relation which alone brought about the tragedy of December 11? The right answer surely is: none. As prince and king in an age such as ours, Edward of Windsor could not have a reasonable upbringing or the normal human satisfactions. He was sacrificed to the system, a victim of unmerciful publicity. He was condemned to make his personal life over against a fantastic figure of legend, bearing his own name, but having nothing

to do with the man himself as known to his family, to his friends, or to the press correspondents who covered his frequent journeys. And it is this tragic child of fortune who, when nearing his fortieth year, becomes wholly dependent, as we must infer, upon the first woman he had found able to give him the full experience of bright and competent and understanding affection.

(4.) The judgment passed by the British government and people upon King Edward was a national judgment—complete, variously based, and without compunction. No doubt there were millions of people in many lands asking last December why the thing had to be done, and done in so ruthless a manner. If this query is still being asked, we may reply to it by another. Any line of action different from the one taken six months ago would have involved a fierce conflict of opinion about the throne; how could that have been permitted by a British Cabinet? Think of the perils and terrors of present-day Europe—the governments on edge, the dictators on the watch. Is it conceivable that at this time the authorities in London could risk splitting the nation to its roots, and of making a breach between England and the free Dominions? Of course it is not. One thing above all was necessary—an overwhelming affirmation of British unity and resolve. And that affirmation was made, in terms which could not be misread in any European capital.

The Crown and the Empire

So much for the Crown in crisis, as Government and people saw and dealt with it at home. This, however, is only half of the story. The Crown is the link of empire; as we are nowadays continually reminded, the sole remaining link. What is to be said of the monarchy in relation to Commonwealth and Empire, now that the throne has passed without a hitch to George the Sixth?

In trying to estimate the results of the abdication for Britain overseas, we must take first into account the remarkable changes, constitutional and other, that have come about within the past forty years. The four self-governing Dominions long since attained nationhood, and that momentous evolution is now complete. India, for all its vicissitudes, has been moving towards self-government, and developments of varied import have taken place in those wide regions of the colonial empire that are still ruled from London.

The older British Empire may be said to have existed down to the moulding of the Australian federal Commonwealth in 1900 and of the South African Union nine years later. The Morley-Minto reforms in India (1910) prepared the ground, with extreme caution, for the Montagu system of partial self-government in the provinces (1919), and this in turn for the elaborate constitution which, after the Gandhi crusade and successive round-table conferences, is now getting laboriously under way. India, which a famous Liberal statesman of the last generation used to say was Britain's only real empire, provides on the whole the problem of least practical difficulty with respect to the Crown. The Indian princes depend wholly upon the British connection and are therefore faithful lieges of the King-Emperor. The nationalist parties and their leaders were in the early moderate days altogether loyal. They looked upon the monarch as high above the two governing powers, Parliament and the bureaucracy—a possible court of final appeal. A King or Prince of Wales visiting India was assured of an over-powering mass welcome. Since then nationalism in India has taken on all the forms of extremism, and it is impossible at present for any observer to guess the effect of post-Gandhi politics upon the general attitude towards the Crown. Mass feeling in favor of Edward was, as we should expect, a great force in India, for this reason if for no other: there cannot be any country in which the tradition of kingly impulse and irresponsibility is more deeply ingrained. And in India it has always been understood that the prince does absolutely as he pleases in the matter of marriage and every other personal relation. So long as the imperial connection is maintained, we may assume, there will be no question in

India about the Crown itself. But the present political transition is full of difficulty, and it would be foolish not to recognize that the more conscious classes among the Indian multitudes entertain a new and curious feeling towards the Crown when the most popular of Kings disappears overnight.

Ireland, like India, must be treated as a problem apart, since the Free State has its own peculiar standing in relation to the Crown. We have heard it many times stated that Mr. De Valera took advantage of England's difficulty by speedily putting through at the end of 1936 certain changes in the constitution. Mr. De Valera, quite naturally, was not disposed to miss a heaven-sent opportunity; but as a matter of fact his action amounted to no more than a slight quickening of the pace. His proposals were already before the Dail. They would have been adopted this year in any case. And since Mr. De Valera began with a prompt acceptance of the new King, it can be argued that he did no more than take a step which establishes the Free State in a more regular relation to Great Britain. The office of Lord Lieutenant is now established. But that had long been intended: and it is plain that the actual breach was made when, some years ago, Mr. De Valera reduced the King's representative to a cipher by conferring the nominal dignity upon a retired small shopkeeper. In the internal affairs of the Irish Free State Crown and Parliament have now no place, but this fact is of relatively small importance to Ireland. Geography governs her place in the British system. It is the partition of the island that is the crux. Mr. De Valera and his party are actually failing in their main design so long as they demand a united Ireland without finding the way to win over the northern province. This is Ireland's problem, not England's.

We come now to the four Dominions, in their developing relation to the Mother Country and to the Crown. The advance to full nationhood of Canada and Australia, New Zealand and South Africa, is the supremely characteristic development of the commonwealth of Greater Britain. No imperial system, past or present, could embody a similar group of daughter countries. They are the unique British contribution to the difficult craft of colonial expansion. Until recently it was taken as almost axiomatic that all the serious problems would lie outside the Dominions—that is, in the Empire and not in the Commonwealth. Today we know that this assumption was mistaken.

The Dominions have long been independent as regards their internal affairs, if we except the single restraint of the Privy Council in London as the final authority in legal and constitutional affairs—the British imperial equivalent, that is to say, of the U. S. Supreme Court. The Dominions, of course, enjoy to fullest political independence. Their economic and fiscal freedom is absolute. Their taxation is their own; they impose tariffs at will; they lock their doors against British immigrants no less than against Europeans, Asiatics, Americans. And since 1931 the Dominions have held the position of equal partnership with Britain, fixed and defined by law.

The Statute of Westminster (1931) is a remarkable instrument of government. It sets forth the principle that each British Dominion enjoys equality of status within the Commonwealth of Nations, being in no way subservient to the Government or Parliament in London. It provides that the governments, and in certain cases the parliaments, of all the Dominions shall give their approval to proposed measures affecting the Crown or the welfare of the nations concerned. The statute, in a word, opens a new stage of development for the British system, and the framework it creates has still to be put to the test.

The monarchical crisis provided a first opportunity for decision and discussion, and it is clear that the parliamentary debate at Ottawa which followed the action of the Mackenzie King Government was an event of no small importance. The King Edward crisis came suddenly. Quick decisions were demanded. Exchanges between London and the Dominion capitals were by cable and telephone. There was no time for a sum-

moning of parliaments. Premiers and cabinets had to take risks. Mr. Baldwin put the points directly to the head of each Dominion government. Canada endorsed the abdication by means of an executive order-in-council, and the Dominion Parliament in the new session passed a one-clause bill altering the succession to the throne in accord with the British Act. South Africa merely conveyed to London the assent of the Union. The Australian Parliament alone found itself in a position to adopt a resolution approving the Abdication Act on the same day as the passing of the bill at Westminster. All this was as it must be in any situation which has no precedent. As a matter of fact (although the Australian Premier sent Edward a cable plea that he should not cease to be King of Australia) there was here no possibility of dispute: the Dominions, obviously, were bound to be in line. And, indeed, we may be sure that future questions at issue between Britain and the Dominions must be concerned not with the sovereign personally or the succession to the throne, but with large and intricate matters of authority and policy.

If Britain Goes to War

Some of these we can see already taking shape, as for instance: What will be the attitude and feeling of the peoples of Canada, Australia, New Zealand, should the peace of Europe be broken and Britain be involved once more in a vast European upheaval? The daughters, we know, would be with the Mother Country; but how if Europe should prove to be incurable? What again, is to be the solution of the problem of Imperial and Dominion defense? Canada has lately passed a new defense measure, her largest so far though still of modest extent. It is a gesture rather than an act of policy, and it seems to be seriously indicative of future probabilities. And, once more, what may equal status and full partnership mean if, or when, in the course of human events the Pacific Ocean becomes the theatre of world-shaking conflict?

The British people have come through a severe and a revealing ordeal. The instincts of the Commonwealth were accurate: Edward the Eighth was not meant to continue on the throne. But the huge body of the middle classes and the governing upper-middle class was shaken to the foundations by the disclosures and decisions of the days. Those things and the wonderfully easy transition to the new King do not mean that the abdication is a finished event, leaving no long-distance results and leaving the Crown as an institution and symbol unaffected. As to one completed result, however, there were no questions. Britain has once more delimited her famous limited monarchy, making entirely certain the principle of cabinet responsibility and parliamentary democracy.

And in doing this, as I began by saying, Britain has stepped out of a stage of incertitude and apprehension into a mood of regained assurance. Two principal reasons for the turn may be given. There is first, the general satisfaction over the royal settlement—the personalities of the King and Queen and the important fact of the established royal family. Constitutional monarchy is in England the sign and guarantee of national unity and security, and it requires the additional guarantee of marriage and the succession. And secondly, there is the reality and effect of the Government's rearmament program. Until two years ago, the armament figures and expenditures could be cited by Ministers as proof that Britain was in fact building her external policy upon the collective system centered in Geneva. Today she is proclaiming to the world that defense has once again come to mean the strong right arm. But how is that ancient doctrine to justify itself in the penumbra of a Europe gone mad?

The reply to this question for England cannot come from Stanley Baldwin and his Cabinet. It will need to be found by his successor, who is to take the helm immediately after the coronation. That successor, it is agreed, must be Neville Chamberlain, and upon him as Prime Minister the heaviest of responsibilities will rest.

Cárdenas Organizes Capitalism

Mexico's president fulfills his pledge to give the country back to the people

By CARLETON BEALS

EVERY November the school children of Mexico march thousands strong to commemorate the revolt of Francisco Madero, which 27 years ago ended Dictator Porfirio Díaz' prolonged rule over a nation of serfs. Only a few years ago the event was invariably celebrated by a military parade. The change is symbolic of a nation slowly emerging from military rule to that of public opinion and civic organization. These last three decades, the face of Mexico has been greatly made over.

Last November, during the week of the parade, I found the following and not exceptional press items:

150,000,000 pesos for railroad construction.

19,000,000 pesos for three dams to provide the Nazas River peasants with water for their newly received lands.

Fifty Yucatán townships provided with sanitary water supplies.

1,020 new rural schools, 75 per cent in Indian districts, founded; 2,000 more to be founded in 1937.

Over 2,000 plans for new buildings in the Federal District approved thus far this year in accordance with health, safety and standards of architectural harmony; 54,000 tenement-type houses provided with sanitary conveniences.

Mexican imports for August declined 18 per cent from same month the previous year; exports increased 41 per cent. "The bulk of exports, however, corresponded to raw materials, especially minerals, which so far yield absentee foreign owners most of the profits."

The beautiful Mexico-Guadalajara highway will be finished October 1938—total cost, 21,000,000 pesos.

2,000,000 dollars worth of sugar-refi machinery, bought by the Governi from the St. Louis Fulton Iron Works, be installed at Zacatepec, Morelos. ' plant will be operated on a profit-sha basis."

Over half a million acres distribute peasants in the Laguna district. In all s laws are being pushed to give the po tion access to all idle lands.

The population of Mexico has incre from 16,584,243 to 18,852,086.

"Felipe Munguía, the oldest office the 1910 Francisco Madero rebels, commemorative celebration yesterda Torreón, presented an old-time rifl President Cárdenas and received a b new plow in exchange."

All hotels are to be regulated to pre soak-the-tourist practices. "Most h keepers in Mexico are aliens."

These random news items, simila those of almost any week of Presi Lázaro Cárdenas' administration, revea hand a very pro-Mexican, somewhat foreign, at least very nationalistic, atti Also, they indicate a large tourist i and increasing interest in Mexico by N Americans. But more important, t items reflect prosperity, optimism, a r standard of living, governmental initi in building roads, edifices, railways, d schools, and in the promotion of agr ture, industry, public health, better li conditions. Mostly they reflect a spir peace and order. They likewise ind that Cárdenas has revived the "radi policy of land-distribution to the peas a policy which Calles began to bury years ago. But undoubtedly Mexico's p perity is today greater than at any pre

time in its entire history. All during our own depression, Mexico's production, except for brief slumps in 1929 and 1932, has been expanding in all lines.

Mexico, for instance, is one of the few countries in the world which is actively building railroads—and out of current finances and locally financed bonds. Over a year ago the employees took over the bankrupt San Rafael-Atlixco railway on a basis of time payments, and in 12 months raised their wages 50 per cent and started laying down nearly 200 miles of additional track. Most of these new roads have political and economic significance.

This and other endeavors provide a phenomenal record in a country which has had a long semi-colonial status and which is still partly in that category, especially when it is considered that in the past Mexico has been heavily dependent upon economic conditions in the larger industrial nations.

The present achievements in Mexico are not the results of any one man, but of the change from a feudal to a more democratic régime, from a system of abject serfdom to one of a free labor supply and "regulated capitalism," based upon postulates of social welfare, a change which has cost a heavy toll of blood, disorder, atrocious violence, and has been featured by repeated betrayals of the people and the nation. It is the result of a historic process and the efforts of many successive leaders and groups. But the development of the past two and a half years, with its quickened tempo and unusual achievements, may be said to be due in large part to President Cárdenas, a man of broad vision, of exceptional ability, of clever political talents, and of driving energy. His capacities and his policies have proved a surprise even to his own people.

The Man

Cárdenas was born in the Michoacán village of Jiquílpan, May 21, 1895, one of eight children of a petty store-keeper. His parents were of Spanish and Tarascan Indian blood. He attended primary school, but at the age of 13, due to the death of his father, was obliged to support the family. He worked as an errand-boy in the local tax-office and soon supplemented this with night-work in a print shop, of which he was soon made the manager. When 17, he was also made village jail-keeper, a not too onerous task in a town of little crime.

Horrified by Victoriano Huerta's assassination of Madero three years after the 1910 revolution, Cárdenas, then 18, threw up his jobs and, accompanied by his only prisoner in the jail, took the field against Huerta. The anti-Huerta movement grew rapidly, and after a number of battles, when the rebel forces were on the eve of entering Mexico City, Cárdenas, with only a year of brilliant service, found himself a full-fledged lieutenant-colonel in charge of the 22nd cavalry. Men rose rapidly those days.

Villa's power having withered in 1919, Cárdenas was sent into the Vera Cruz petroleum region to subdue the notorious Pelaez—in the pay of American petroleum companies. But the following year began the so-called "Revindicating Revolution" of Obregón and Calles which was to cement their hold over the country for the next fifteen years. Cárdenas supported the revolt. Cut off from federal supplies, he levied 20,000 pesos on the merchants of Gutiérrez Zamora. Six months later, to their great surprise, he paid them back to the last cent. He was made a general—five days before his 25th birthday. Only one President in all Mexico's history—Miramón—had ever received the golden epaulettes at such a young age. Cárdenas beat even his record by a few months.

Suicidal Exploit

In 1923-24, the "conservative" De la Huerta rebels seized all the central western part of the country, which includes Guadalajara, the second largest city. Obregón began his drive to recover it, and requested Cárdenas to lead a flying wedge into the enemy's rear via the south shore of Lake Chapala, all in rebel hands—a suicidal exploit. With only 1,500 cavalry, Cárdenas swept clear through to Zapotlán,

***MEXICO'S RESOURCES:** President Cárdenas is striving to have them exploited for the Mexican masses rather than foreign or domestic capitalists.*

temporarily cutting the railroad. There, surrounded by an enemy four times as strong, his own force was cut to pieces. Seriously injured, but lucky not to be shot on the spot, he was taken to the Colima penitentiary. He escaped, raised a force in enemy territory and pushed up toward Guadalajara from the rear, just as Obregón entered it victorious from the front.

After handling ticklish situations in the oil fields of Tamaulipas and later of Tehuantepec, in 1929, when the serious Escobar revolt occurred, Cárdenas, in full charge of the Army of the West, swept the Pacific Coast clear of the revolters led by one of Mexico's most famed generals.

For the next eight years, after nineteen years of disturbance, Mexico, except for the sporadic outbursts of religious Cristeros, was to remain at peace. Cárdenas sensed the change and ran for governor of Michoacán, his home state.

As governor, Cárdenas pursued a very anti-clerical policy in a very pro-Catholic state. Soon convinced that the resultant friction was inimical to his more constructive plans, he at once modified his policy and conciliated his religious opponents. At the outset he established a sort of brain-trust, combing the country for young talent, a procedure that did not sit well with local politicians. Immediately, he set state finances in order, cutting all salaries of public employees—except those in the lower brackets—including his own, in half. He speeded up the land-distribution program, establishing some of the most successful cooperative village enterprises in the country. In all 181 villages were provided with 255,000 acres. He promoted agriculture and new industries, built roads, irrigation systems and schools—over 300 new ones, including two technical schools, one for Indians in Patzcuaro, the other for girls

Black Star

NO NAMES, BUT: This mural by Diego Rivera in the Hotel de la Reforma, Mexico City, has caused much comment and conjecture. There has been no official identification of the main characters, but it is known that opponents of former Dictator Calles are highly pleased with the mural.

in Morelos, were founded. He began and almost completed two railroad lines, built eleven air ports, drained the huge Cuitzco marsh and the marshy shores of Lake Chapala, channelized the Duero and Querendaro flood rivers, and established permanent sanitary brigades to stamp out disease in the tropical part of the state.

For thirteen months he took charge of the National Revolutionary Party, the official organization of the country—then in a bad state of schism—perfected its organization, strengthened the "left" elements, and raised a party fund of 600,000 pesos to be used for rural credits. Next he was called to head the cabinet of Ortiz Rubio.

The public now smelled out that he was perhaps slated to be the next President. This did not add to his prestige, for backstage dictator Calles, on whom his election would depend, was even before 1933 thoroughly unpopular. Cárdenas, therefore, was considered just another dutiful member of "the gang," just "another general," who could be expected to continue the dictatorial acts of the régime.

Nor was he helped by his physical appearance. A young wiry chap, he had not yet developed the avoirdupois and jowl, the commanding bulk that one expects in chief executives. His face was bony and severe and he bore the unmistakable signs of his village origin: by those not knowing him personally, he might easily have been confused with any small town mestizo official, more Indian than Spanish. His complexion was dark, made even darker by 16 years of campaigning; he had straight black hair and black eyes; and his stringy moustache was typically indicative of the mestizo predominantly Indian. With his prominent nose, long pointed head, he seemed like an ancient portrait in one of the Aztec picture codices, a face and cranium such as one sees in the classic stone idols of the pre-Spanish days. One of his children is even named "Cuatémoc," after the martyred Aztec emperor. People said contemptuously, using an expression levelled at persons risen from humble origin: "He smells of the *petate*." But since over half of Mexico's population sleeps Oriental fashion on straw mats, this should have been considered high praise, proof that he was a man of the people who might perhaps be for the people—the counterpart of our log-cabin to President legend. Certainly, face to face with Cárdenas, one senses his power, his patience, tranquillity, deliberateness of movement, his force. He is laconic, uses few gestures; his words, never evasive, strike the bull's eye.

By 1933 two men stood face to face as

contenders for the mastery of the destinies of Mexico—Calles and Cárdenas. The people were not aware of it. Apparently neither was Calles. But Cárdenas undoubtedly was. He was chosen unanimously as the 1933 presidential nominee at the Calles-bossed national convention of the National Revolutionary Party, which also issued the famous "Six Year Plan" as a political platform. The Six Year Plan was an ambitious program of education, sanitation, public works, land reform, and improvement of labor standards.

With full official support, Cárdenas, even if he had stayed home and knitted, would have been elected. But he made an unprecedented tour, covering nearly thirty thousand kilometers in plane, steamship, rowboat, launch, sail-boat, train and, on horseback. He visited every nook and corner of the republic, even to remote villages requiring many days in the saddle, villages that never had seen a candidate. He made speeches, mingled with the people, ate their humble food, visited their fields, asked them what they wanted. A school? Irrigation? Land? Tools? A road? Mausers for self-defense against hacienda guards?

"Promises. More demagogy," said the knowing.

He promised to carry out the Six Year Program. He declared that Mexico had to follow its own development in accordance with its institutions, traditions, and the aspirations of the revolution. He voiced his opposition both to monopoly capitalism and to communism. He stressed the need gradually to recover the resources of the country from the hands of foreigners in order to restore them to Mexicans. His general point of view was collectivist, but he decried the Russian method of creating an authoritarian type of "State capitalism." Efforts in Mexico would be directed toward putting land, implements and industries directly into the hands of the peasants and workers organized cooperatively, and to the extent that they became organized and revealed capacity.

"More demagogy," said the cynical.

Calles campaigned for Cárdenas. But

Pictures

PRESIDENT OF MEXICO: Once called a "simpleton," Lazaro Cárdenas has proved to the people that he is one of the most brilliant political strategists in public affairs in Mexico's history. "He achieved by astuteness what had invariably cost Mexico blood and violence."

even before the speech-making was over, rumors of cooling feelings between the dictator and his young candidate were afloat. Calles suddenly retired to his luxurious Cuernavaca retreat. After the ballots were counted, the pro-Calles politicians became anxious. They could not get near Cárdenas. He was always too far off in the hills among the peasants for men of weight easily to ride after him. New rumors of quarrels between Cárdenas and Calles.

But when Cárdenas' first cabinet was an-

nounced, the old crowd was happy. Only two of the new President's known personal followers figured. All the rest were creatures of Calles, even two relatives, a son and an uncle. The Secretary of Public Health was the new husband of "Cholita" González, for years Calles' private secretary, now not quite so fair as of old. Another was Calles' personal lawyer.

"Cárdenas is a simpleton," said the knowing. "He doesn't know how to exercise his new authority."

But out in the country he was the most popular president Mexico had ever had. If he paid little attention to the big and glittering matters of state, he was building up a rural political machine, cell by cell, from the bottom up. Since his previous presidency of the official party, he largely controlled that also. He now managed to see a clear majority of his own men elected to the national Chamber and Senate.

Soon it was seen there was really fire behind the smoke of rumored difficulties between the two leaders. What was it feeding on?

The Mexican revolution, begun as a political reform in 1910 by Madero, soon deepened by 1915–16 to a program of land for the peasants and protection for labor, education, restriction of foreign ownership, etc.

Calles Changes His Policies

But in 1926 Calles, after promoting all these things, suddenly made an about face, soon after denounced his own land policies, and through the subsequent efforts of President Ortiz Rubio brought land-distribution to an end; through Portes Gil, Calles destroyed all labor and peasant organizations by force and terrorism and founded the National Revolutionary Party, with a monopoly upon all the political activities of the country. All elements outside that party were persecuted. Strike leaders, political opponents, peasant leaders, Catholics were murdered or seized and shipped off to the Islas Marías penal islands, usually without trial. When rumblings from the interior became too great, Calles would throw up a smoke-screen of anti-clericalism or false nationalism to divert public attention. The church would be socked till futile armed revolts were pricked into life. The Jews were molested. In Sonora, Governor Rodolfo Calles, son of the dictator, drove the Chinese out by threats, violence, murder and theft of property. In short, the National Revolutionary Party (somewhat like Bryce's Holy Roman Empire) during that period was neither "national" nor "revolutionary" nor "a party."

The change in policy by Calles coincided with the enrichment of the ruling political clique at the expense of the movement they had led to power. Calles and his group had become large landowners themselves, owners of factories and mines, hence had less and less sympathy for the movement that had hoisted them into office. And so by 1933 when Cárdenas was elected, Mexico had become a land of millionaire Socialists, of knight-errant capitalists, where the owners of luxurious gambling dens, of mines and factories and plantations, made throbbing speeches in behalf of the proletariat and the peasants. Calles had taken up golf—the destinies of the state safely lodged in the hands of President Abelardo Rodríguez, his business partner, and the wealthiest man in the republic.

As in most totalitarian régimes where legitimate opposition parties cannot function, intrigue festered within the ruling party. Two groups developed "right" and "left," the one controlled by the "millionaire Socialists," the second by younger and more sincere elements. It was this second element that Calles, in electing Cárdenas, utilized, apparently hoping to play the two groups off against each other.

Soon alarmed by Cárdenas' independence, rapid popularity and growing strength, Calles again attempted to create difficulties which only he could settle: he baited the Church, causing much controversy, and he precipitated an epidemic of strikes.

Cárdenas now showed his hand—three times—and crumpled Calles' power forever.

He ordered seized the luxurious gambling dens secretly maintained by the big-wig officials of the previous administration, striking at their income and at their prestige in a manner against which they could not publicly protest.

Next, he broke Garrido Canabal, Calles' handy man in the anti-clerical crusade. Canabal—thrust into the Ministry of Agriculture by Calles—sent his personal "Red Shirts" to Coyoacán, a very Catholic suburb, where they stirred up a riot one Sunday in front of the second oldest church on the American mainland and shot half a dozen defenseless men, women, and girls emerging from Mass. Cárdenas, without hesitation, refused to release the assailants, declared they would be punished, the laws enforced. He assured the Catholics that they were secure in their legal rights. Canabal sought in every way to free his henchmen, but suddenly took a plane for his native state of Tabasco, where he had ruled like an Oriental despot for more than a decade; soon after, he fled to Costa Rica.

Presently Calles denounced "the marathon of strikes," which he himself had been in good part responsible for causing. Again Cárdenas put himself on firm legal ground. He issued a nation-wide reprimand to Calles. The constitution and the laws guaranteed the right of collective bargaining and to strike. Strikes were a symptom of prosperity and rising living standards. The legal means for declaring strikes and also the machinery for settling them existed. The laws would be enforced.

Calles Is Forced Out

A wave of popular indignation submerged Calles. Great demonstrations were staged against him. The soldiery of Cárdenas had to protect Aznares, Calles' Mexico City residence, against attacking mobs. The peasants seized Calles' Santa Barbara estate which had come into his hands through a dubious tax-delinquency sale. Calles' control of the army was seen to be a myth. The Calles governors in the states were too harassed to give him effective aid. The Church, if it did not particularly like Cárdenas, had discovered he had a sense of fair play and legality, hence that institution was not inclined to back a worse Jacobin for a lesser one. And finally, the National Revolutionary Party, Calles' own creation, was definitely under Cárdenas' thumb. Calles was done.

Fearing for his life Calles fled by plane to the United States. Later he returned, attempting to stir up more trouble. He and three followers, including the discredited labor leader, Luis N. Morones, were then seized, put on a plane and dumped anew into the United States. Calles landed in San Antonio with a copy of Hitler's *Mein Kampf* under his arm.

Cárdenas was at last President in his own right. Rapidly he drove the Calles faction out of public posts, restricted its power until it was impotent. The surprised country rubbed its eyes to discover that Cárdenas was one of the most brilliant political strategists in public affairs. He had achieved by astuteness what had invariably cost Mexico blood and violence.

The immediate pressure which broke Calles' hold was from the left. But Cárdenas now installed a wide coalition cabinet, chosen with a canny eye to real political forces rather than to ideology. It ranged from the radical General Múgica, dreaming of a proletarian state, to the conservative General Cedillo, known to be friendly with the large-landowners and the state, but controlling a sort of private army of ten thousand armed men. Cárdenas' new government was, in short, a sort of Popular Front affair, similar to that in France and Spain.

Calles régime had been a rule by a fairly narrow clique through a totalitarian party. Cárdenas widened out the basis of government in more democratic fashion. Now, except for the ousted Calles group, full liberty of political expression and of the press is guaranteed. The National Revolutionary Party no longer has an official monopoly on all the political activities and the spoils of office. It has become a party in its own right in a more pluralistic system. To those who see government as a neat dogmatic

pattern instead of a general trend, for those who put ideological clarity above all else, the result is as appalling as President Roosevelt's efforts are for the extreme radicals and "the economic royalists." But if Cárdenas at this juncture had attempted to govern with any particular group, he could have done so only through harsh dictatorship, constant disorder and wholesale bloodshed. He himself would have soon been displaced. Perhaps compromise and concessions to widely different groups blur the picture and postpone the final reckoning, but in the meantime Cárdenas has been able to give Mexico a great impulse toward land reform, education, progress, and reconstruction as have few presidents in its history.

One may not agree with Cárdenas' proposals, one may argue that the land policy involves much injustice, one may feel that Mexico's ideas of property tenure are widely different from our own, but no one can well deny that Cárdenas is extremely popular, has integrated wider and more effective support than any leader in many years, that he has the public welfare at heart, and that he gets concrete things done rapidly, efficiently and courageously. He tends to them in person if necessary.

Where a Smile Goes Far

MEXICO is a wonderful country—rich in natural resources—rich in her historical background—rich in her scenic and recreational attractions—and specially rich in the friendliness of her people.

In no country in the world could a smile pay bigger dividends than it does in Mexico. Courtesy will be fully repaid.

Many Americans enter Mexico with the feeling that they may fall among thieves. This is an unworthy obsession, for there are no more honest people than the rank and file among Mexicans.

Let me recite an incident by way of illustration: An American tourist on the new highway stopped overnight at a small hotel. Fearful of being robbed. he put his purse, containing all his cash, his tourist card and driver's license, under his pillow. Next morning he was early on his way.

With more than a hundred miles spun out, this careful traveler sought his purse, to pay for gas. Horrors! It was not in his pocket. A feverish search of the car, then recollection. He must go back to look for it; but thought he, a fat chance I have of finding it. He left his watch as security for fuel, and drove back.

Arriving hot and bothered at the hotel, he dashed upstairs toward the room he had occupied. The room was not there! All that was left was the floor. Rushing to the office, he told the proprietor of his loss. What had become of the room? Ah. workmen were enlarging the house. That part was to be rebuilt. A pocketbook? No, he had seen no pocketbook.

Just then the porter strolled in. Señor had lost a pocketbook? Oh, yes! He had found it when they moved the furniture. It was now on the shelf under the counter. And there it was! —*Modern Mexico*

SPAIN'S REBEL CHIEFS

A case history of the insurgent leaders, their past suggesting a doubtful future

By L. F. GITTLER

WHATEVER the military fortunes of the Spanish rebels—and these will depend essentially upon foreign governments, there exist from within as well as from without the insurgent ranks powerful forces that will ultimately undermine them. For the rebels suffer from a conspicuous lack, not only of mass support, but of competent leaders. There are no Hitlers, no Goerings, nor a Mussolini, a Balbo, nor a Rosenberg in the Burgos junta. And within the rebel movement Spain finds its old enemies of the militant Army, militant Church, militant Carlism, and decadent Alfonsism, all thrown together into an unholy alliance of hodge-podge pseudo-fascism far removed from the political consciousness and aspirations of the Spanish people. One has only to refer to the case-histories of the rebel chieftains to see reflected all the conflicts and inadequacies which sap their whole movement.

Francisco Franco

Regardless of whether Franco is another Kornilov or Wrangel, he is not and cannot be the "strong man" of Spain after the stereotyped pattern of contemporary European despots. Fate has lifted him to a position which—outside of the military aspect —is beyond him. He is the last and least capable of a long string of Spanish military dictators, beginning with General Narvaez, creator of the Civil Guard and the man who said "Spain is a nation of rascals and needs an iron hand to keep it in order." Franco is a product of the de Rivera dictatorship and the personal inspiration of General Sanjurjo. At 30 he was commander of the Foreign Legion, and at 32 became the youngest general in the Spanish Army. He comes from Galicia where he was born Francisco Baamonde Franco 45 years ago. Galicia is that part of Spain most closely allied to Portugal in language, temperament, and economy. Franco's family was of the middle class, Galicia being a territory of small farms where the land is more evenly distributed than in the rest of Spain.

General Franco is an efficient military servant, an Army bureaucrat and administrator who never meddled much in politics. He is small, somewhat rotund, quiet, resourceful with a puffy face and a perpetual ironical grin which gives the effect of a slightly contemptuous air. He doesn't like theatricals, is neither fanatic nor frantic. He is not a man of the people, nor does he appeal to the idolatry and sentimental imagination of the mass. He is more a friend and efficient weapon of political combinations than great mass movements. Unknown, unheralded, he has always "performed his duty" while his brother, Ramón Franco, reaped fame as the "Spanish Lindbergh" and for his activities in the spectacular events of Cuatros Vientos.

Under the Republic General Franco was Chief of Staff. When Sanjurjo's coup was crushed in 1932, Franco remained secretly in sympathy with his master and superior. The Asturian rebellion of 1934 found him at the head of Moors and Legionaries sent into the chaotic landscape of the Asturias to smash the resistance of miners and peasants. The People's Front Government sent him to the Canary Isles in the spring of 1936 in their bloodless army "purge." From the Canaries Franco flew to Morocco in July, ordered the High Commissioner of Morocco shot, and whipped his native

Times Wide World

THE "FRONT": "Neither a Republican, Fascist, Alfonsist, nor Carlist," General Franco tries to please all, but will never be Spain's "strong man." Here, he tries on a helmet that should please the Germans.

troops and Legionaries into fighting action.

The selection of Franco as sub-Fuehrer to Sanjurjo was a strategic move. Franco is neither a Republican, Fascist, Alfonsist, nor Carlist. Thus he could unite all groups within Spain harboring the revisionist spirit. Moreover, he had had extensive experience with Moorish troops and the Foreign Legion. He knew how to negotiate with the Sultan of Spanish Morocco for a steady supply of soldiers; he knew how to talk to the Moroccan regiments and make them fight. He was drab enough in spirit and personality so that certain individuals were not afraid he would gobble up more than his portion of the Spanish pie. Since he was sworn in as commander-in-chief of the rebel forces at Burgos on October 1, he has in no way distinguished himself other than by his naive speeches and terrorist tactics of military warfare. He is no orator and no diplomat. His ideal remains that of Sanjurjo and de Rivera—to make the Army the supreme power in Spain. It is significant that in the Burgos scheme of things a place is reserved for an executive, a central figure who is capable of pushing all the buttons. No one (not even Franco himself) believes that Franco will ever occupy that chair.

José Sanjurjo

As General Franco is more an incident than a prime mover in the Spanish rebellion, it is necessary to dig a little deeper. Most of the frightened landowners, industrialists, Clericals, and insecure Army officers were grouped around Gil Robles and his C.E.D.A. (Spanish Confederation of Autonomous Rights). Señor Robles made clandestine journeys to Lisbon when General José Sanjurjo y Sacanell, also known as the Marquis de Rif, was living in exile. A nucleus of action was built around Sanjurjo, a former Army leader feared and admired by Primo de Rivera, Alfonso, and the Republic alike. Like Robles, Sanjurjo was now astute and cautious. When it was seen that the People's Front would brush aside the C.E.D.A., he realized that a pronunciamento was as obsolete as the flintlock. Sanjurjo went to Berlin on the German liner *General San Martin* in February 1936. As he embarked in Portugal he told interviewers: "I am not a conspirator. I would not know how to be one for I have never been one. I am only a man who fights for Spain."

The facts would seem to belie this statement. Sanjurjo's whole life was one of intrigue and impulsive action, shrewdness and folly. He was born in 1872 in Madrid, and 22 years later he left for Cuba to participate in the last Cuban War. In 1920 he became a general, and the following year the massacre of 8,000 young Spaniards at Anual by Moors shook Spain. Public indignation and clamor for an investigation of military responsibility set the civil administration and militarist juntas at each other's throat. The "Moroccan affair" had to be hushed up; military juntas were feverishly preventing the state machinery from functioning. Weary reformists like Antonio Maura exclaimed: "Let those

Pictures

***THE CONSPIRATOR:** Fate prevented General Sanjurjo from leading the rebellion, to secure aid for which he sailed for Germany in February 1936 on the* **General San Martin.**

finally govern who do not allow others to govern!" General Primo de Rivera in Barcelona heeded this advice and, in the autumn of 1923, hastened to Madrid, where he nullified the Constitution of 1876 and set up a military directory. Sanjurjo, head of the garrison in Saragossa, seconded de Rivera's coup. Thereafter, the Army had a free hand in Morocco. Sanjurjo returned to Africa and, in a series of sensational battles, crushed the last Moorish resistance. He was named High Commissioner of Morocco, and the King bestowed upon him the title of Marquis de Monte Malmusi.

Sanjurjo soon became one of the main props of the dictatorship. As Director of the Civil Guard, he engaged General Emilio Mola as organizer of a police and spy system with a terrorist character which ferreted out Republicans, labor agitators, and "illegal" organizations. But the Military Directory was inherently weak, and its task was made doubly more difficult in the face of a strong anti-military spirit among the population. Primo de Rivera antagonized artillery officers and the air force. He even incurred the displeasure of Sanjurjo. In 1930 the Dictator fled to Paris, where he died a short time later. With his flight, Republican agitation increased, labor organizations called strikes, and two military revolts—part of a plan adopted by the Republican Revolutionary Committee—demonstrated the spirit of the times. Alfonso became frantic. His cabinet ministers advised him to abdicate, while his opponents demanded general elections. The Bourbon King was as isolated as a leper in his grandiose residence. As a final card he called General Sanjurjo to the royal palace. He asked him if he were prepared to accompany and protect him as his position demanded. The General was not averse to the Dictator's chair, but he knew the time was overripe. He was thinking of the split in the Army, the Republican-Socialist alliance, de Rivera dead in Paris. The Conqueror of the Riff smiled. "Sire," he said, "I am ready to accompany and defend you —to the frontier."

With many others Sanjurjo believed the Republic would "accommodate" him. In the following 18 months he saw with dismay the laws separating Church and state, the retirement of hundreds of Army officers, agrarian reform, and the growth of labor unions. More with a morbid homesick urge than with organization and foresight, Sanjurjo went to Seville in August 1932, declared himself Governor of Andalusia and tried to rouse the Army. Fortunately, it was a clear illustration that law by decree, acceptance by force was relegated to the tyranny of the nineteenth century. The Government brought in Moors to crush Sanjurjo, who was arrested and sentenced to die. A plea for clemency changed his punishment to life imprisonment. For 500 days he occupied cell 52 in Deuso penitentiary. The reactionary Government of December 1933 freed him in the amnesty of April 1934. The General left immediately for Portugal where he lived in the Villa Leocadia in Estoril, a beach resort on the outskirts of Lisbon. There he acted as political agent abroad for the Robles fac-

Pictures

THE "BOSS": Gil Robles, a strong clerical, an admirer of the German Nazis, and an astute politician, is the potential Spanish dictator.

tion. On July 20 he left his villa to board a plane nearby for Salamanca to assume command of the rebel forces. His plane never rose higher than 20 feet. It crashed, and there was a terrific explosion. Ansaldo, the pilot, found Sanjurjo caught in the fuselage, his body burned to an unrecognizable state.

Gil Robles

With the failure of Sanjurjo's coup in 1932, a comparatively new figure began to organize and dominate the Right. His name was José Maria Gil Robles, then a 35-year-old lawyer and deputy from Salamanca. Robles had practised law in Madrid, where he was a force in the Catholic Acción Popular and counsel for various Jesuit groups. He formed the C.E.D.A. early in 1933. It amalgamated the Army juntas, Church, landowners, and industrialists. This solid Rightist bloc weakened the Republicans considerably by splitting the Left parties, reviving *caciquismo* (bossism), and engineering corrupt elections. Robles was appointed to the Chair of Political Economy at the University of Salamanca. Later, as Minister of War in the Lerroux cabinets, he made close contacts in Army circles and won their favor by reinstating many of the officers retired by the Republicans. The Church received its lands back as well as compensation for other losses incurred. Robles organized the Protección Ciudadana, a group of 2,000 men armed with machine-guns and revolvers aimed "to protect nuns and Catholic voters"; in reality, they broke strikes and acted as terrorists who returned Leftist violence with redoubled fury.

After the People's Front victory, Robles flirted with the fascist Falange Española, which had a widespread growth in 1936. The organization was run by Primo de Rivera's sons, who were implicated in the Sanjurjo *putsch*. Robles arranged for the Fascists to meet in churches and store their arms there. While military plans were being hatched in Lisbon, Robles was busy preparing the ground in Madrid. An intricate spy system was set up, which today still is a disturbing factor within Government ranks. Francisco Cambó, the Catalan financier and landowner, appeared at Robles' side with his Lliga Regionalista. The immense wealth of Juan March, boss of the Balearic Isles, and Count de Romanones, owner of mines and broad estates, was presented by Robles as collateral for German and Italian aid. Calvo Sotelo, banker and Alfonsist head of the party of Spanish Renovation, announced that "the Army would step in during a moment of great danger if no politician were capable of doing so." On July 12 Sotelo was murdered. A few days later, Robles went to Biarritz where he issued a statement saying that the "régime will be spattered with mud, blood, and misery."

Gil Robles has never concealed his admiration for the German Nazis. But, being a *Vaticanista,* his political philosophy resembles more the clerico-fascist régimes of Austria and Portugal. He likes to think of himself as a modern synthetic type of Catholic warrior combining Loyola and the

Conquistador. Politics mean to him sacrosanct religion, heroic patriotism, the old Hispanic tradition of the Faith launched by the Habsburg Philip II fighting the Reformation, the infidel, and now the "materialist Asiatic beast." He calls himself an "opportunistic ideologist," willing to coordinate modern ideas with the traditions of the past—the Church as the will and destiny of Spain with the Army the champion thereof.

Mola and de Llano

Of the rebel generals most prominent in the civil war, Emilio Mola Vidal, commander of the northern army and Gonzalo Queipo de Llano in the south are outstanding. Mola's garrisons are in the heart of Carlist Spain. The Carlists constitute a strong faction in the insurrection. Ever since Ferdinand VII provided for the accession of his daughter Isabel to the throne instead of his brother, Don Carlos, whose claim was the more valid according to the Salic Law of Succession of 1713, the Carlists have been a thorn in the side of every Alfonsist monarch. The Carlist wars of the nineteenth century were characterized by atrocities and savage battle without quarter. These Traditionalists call Alfonso an "usurper" and will have nothing to do with Calvo Sotelo's monarchist party. They harbor a deep hatred toward the Falange Española, whose founder was a nephew of the General who crushed Don Carlos in 1874. Although basically at daggers' ends with the Spanish Fascists, they now permit themselves to be called "Nationalist Fascists." Carlists are champions of a rigid Catholicism firmly established as the official state religion and an absolutist monarchy unchecked by parliamentary control. It is claimed that 80,000 *requetes* have enlisted in the Traditionalist Army. With their red berets and green armbands decorated with a red cross, and long bushy sideburns, they look as if they had just emerged from a Gustave Doré print. Mola is the vigorous leader of the Carlist detachments in the regular northern army. Fifty years old, he stands directly under Franco in the rebel hierarchy. Both Mola and Franco fought with Sanjurjo in Morocco, all three being decorated simultaneously for valor in action.

In contrast to the cold, efficient Franco is the impetuous personality of Queipo de Llano, the "Spanish Goebbels." On the Ramblas de Los Flores in Barcelona today there is a huge caricature of de Llano propped up on a newsstand, showing the General with mouth agape shouting into a microphone. The caption reads: "The Chatterbox." Queipo de Llano suffers from a persecution complex. In 1930 he published his only book, *Gonzalo Queipo de Llano Persecuted by the Dictatorship.* He maintained that de Rivera used him as a scapegoat and described the Dictator as "an unbalanced mentality whom medical men have affirmed to be a pathological case worthy only of being helped to a psychiatric clinic." With Ramón Franco, de Llano took part in the Cuatros Vientos revolt, flying over the city dropping leaflets on Madrid. As a result he spent 84 days in prison, became a Republican—the ultimate and most defiant threat of all Army officers —and announced that "nothing is more anarchizing than injustice." De Llano was merely a frustrated militarist picturing himself as a harassed Republican. He has a loose tongue and is as garrulous as an Andalusian. He got himself in trouble continuously with the dictatorship. General Saro once told him that "he thinks in a loud voice and his thoughts will eventually come to no good."

De Llano is 62 years old, born in Valladolid, and after an active military life became military governor of Cordova. Isolated in Seville just after the revolt, he unleashed his fury over the radio, spun fantastic stories of British intrigue and French Sudanese fighting his Spaniards, and insisted that he was being "persecuted by the reds." Until Franco arrived in Seville on July 29, de Llano used to end his speeches with the cry *"Viva la República!"* He soon learned how to shout *"Arriba España!"* and *"Viva la Muerte"* ("Long Live Death," Foreign Legion slogan) and "Long

"Live King Christ!" He exhorted Andalusia to "open the gates of the cities to the Soldades Libertadores" and boastfully proclaimed that Sanjurjo's embalmed corpse would be carried into Madrid at the head of his troops.

De Llano is tall, thin, and speaks with a powerful raucous voice. He is a lover of ritual, pomp, and theatrical processions, even decorating the Moors under him with religious images. There is no humor in the man. He strides through flower-strewn paths mobbed by pious women attempting to embrace him. He makes a practice of "killing ten reds for every Nationalist murdered," by avenging himself on the inhabitants of the Seville working-class district, Triana. He dislikes the Falange Española, whose founder he still regards as an "unjustifiable persecutor." Nevertheless, Franco has made him happy and contented, and as long as he does that, Queipo de Llano will remain faithful to the rebel cause.

By his conciliatory policy General Franco consolidates his multicolored strings of Carlists, Fascists, Alfonsists, Berbers, Arabs, Right Republicans, Clericals, Foreign Legionaries, Germans, and Italians. But out of this melting-pot there exists neither a strong political initiative nor a broad base for mass action. There is little to choose from among the rebel leaders. The germ cell of Spanish fascism is inextricably bound up with the fastidious cult of *señoritismo* ("gentlemanhood"), a political form of snobbism that embodies all the anaemic qualities of class reaction rather than nationalist reaction. Moreover, there exists in the Spanish temperament no Messianic faith, no unconditional adoration by the masses, no complete submission to a popular savior. The Spaniard is a pessimist and individualist. It is significant that no great leader has arisen on either side; this is not surprising for the two endemic and greatest mass movements in Spain—traditional Carlism and dynamic Anarchism—have no leaders. The Spaniard is a fighter, impulsive and fierce, but he is not a soldier; thus both sides need the aid of foreign intervention to bolster them, for the Spaniard is notoriously incapable of sustained effort, be it in peace or war.

Should loyalist Spain fall, Gil Robles would undoubtedly return to assume the role of Fuehrer backed by a powerful military force led by Franco and Mola. The restoration of the monarchy will have to wait many years before it can be attempted. The swarms of former Spanish diplomats and politicians who now buzz around Franco's palace in Salamanca and the "government" in Burgos bear all the earmarks of the famous epithet fashioned by Republicans seventy years ago—"the same dogs in other collars." Their system used to be what Spaniards call *politica de campanario* (belfry politics)—a landscape, a tower, a church, a priest, and a *cacique* (boss). Now there is much talk of "corporative organization" and "hierarchical groupings" that smack of Hitler's *Führerprinzip* and the theoristic speculations of Salvador de Madariaga, the discredited author of *Jerarquía o Anarquía* (*Hierarchy or Anarchy*). The stress on hierarchical organization recalls only too vividly Catholic concepts. To impress this system on the eastern coast of Spain and in industrial and mining districts will be as impossible and "heroic" an undertaking as that strange foreign policy pursued by Great Britain—defined by Anthony Eden as "restrained heroism."

HOW THE C.I.O. WORKS

The Steel Workers' Organizing Committee sets a new style for the labor movement

By HERBERT HARRIS

THE night shift comes out of the mill into the yard, into the dripping grayness of an early morning in Pittsburgh. A mass of grimy-faced men, they move towards the entrance with a shuffle or a shamble or a head-up stride, converging about the gates.

Smiting their ears, the metallic lungs of a sound truck (rolling into action some 20 feet in front of them) send a slogan "Be Wise, Organize" into a pea-soup sky, piercing it with rhythmic rising insistence. Behind them a shimmer of orange flame from the mill furnace flares upward, then dies fitfully down and is gone like a match struck in rain. But the booming voice grows louder and louder, "Be Wise, Organize," quickening its tempo into a sustained shout, seeming to challenge the fog, the rain, the darkness.

At the gates, with black slickers glinting in the drear uncertain light, stand two men who hand out leaflets as the steel workers emerge, and who urge in stage-whisper tones: "You ought to join up, buddy"—"Read this and use your head"—"You ought to be with us for your own good"—"We're going to win this time"—"You can trust the C.I.O."

Along the Monongahela, and up and down the valleys of Ohio and around the flat sweeps of the Chicago area, this scene with variations was constantly enacted as the Steel Workers' Organizing Committee, vigorous auxiliary of the C.I.O., swung its battering rams against "America's most impregnable fortress of the open shop."

But before any such out-in-the-open onslaught could begin, the S.W.O.C. miners and sappers had first to weaken the walls. And they, like the rest, were guided by the canny Philip Murray, vice president of the United Mine Workers and chairman of the S.W.O.C. It was his conduct of the S.W.O.C. campaign that, in general contours, has set the style and pace for C.I.O. organizing tactics throughout the country.

It must be remembered that the C.I.O. High Command, from the very first, pro-

Gendreau

"BE WISE, ORGANIZE!": This steel worker and thousands of others found the siren song of the C.I.O. irresistible.

ceeded on the theory that if steel could be forced to yield to collective bargaining the whole industrial front could be more readily captured. Contrary to popular impression, therefore, the C.I.O. donated only $3000 to S. H. Dalyrymple and his Rubber Workers and sent only organizers and its blessings to Mr. Homer Martin and his United Automobile Workers, although eventually the General Motors sit-downs cost the

C.I.O. $700,000. Otherwise the C.I.O. gambled all of its might in money and men, in political pressures and persuasions, upon the success or failure of the S.W.O.C. drive. To Mr. Lewis it was to be Austerlitz or Waterloo. To his "right-arm" Mr. Murray it was to be an ordeal of tautening tensions, of thwartings, and of triumphs great and small.

Murray's Background

Murray was equipped for his job. Due largely to his own organizing talents, exercised over a period of 29 years, the United Mine Workers with its membership of 540,000 has grown into the strongest union in North America. He grew up among men who must earn their bread in the callouses of their hands, in the sweat of their collective brow. He was born on May 25, 1886, in Lanarkshire on the west coast of Scotland. He was educated in the public schools until the age of 10 when he began working next to his father in the pit, helping him to load an extra car daily in the coal mines of Baird and Company, Limited. At 16, young Murray, already ambitious and sure that his future at home was limited to a deadening extent, migrated to the United States. He obtained a full-fledged miner's job with the Easton Coke and Coal Company at Madison, Pennsylvania. Discussion with his father and his father's friends had soon convinced him that unionism was the only method by which the wage-earner could improve his lot. His experiences in the American mine served only to confirm this view. He joined the Madison local of the U.M.W., devoting himself to its expansion. Gregarious by nature, liking to talk with people, to draw them out, he proved an excellent missionary for the union faith. At 18 he was elected president of his own local of 750 men. In the meantime he studied at night, taking a two-year commercial course in the International Correspondence School. He "majored" in accounting, bookkeeping, economics, and business English, hoping someday to transform his new knowledge into a key that would unlock the financial mysteries of mining. Since then his career has been inextricably linked up with his union's advances and setbacks, until today he is regarded in many quarters as the "Crown Prince," as Lewis' successor as head of the U.M.W., and even of the C.I.O.

At 50 Murray radiates a quiet vitality. In appearance he somewhat resembles Lewis Stone, the movie actor. His brow is broad and philosophic, his hair white, his eyes dark brown. He speaks slowly, thoughtfully, with a Scotch burr. He has a wry humor, its tartness tempered by a Scottish-Covenanter earnestness. He dresses like a small-town banker—blue suit, blue tie, black shoes, gray overcoat and hat to match. A student of British trade unionism, in both its economic and political aspects, he has always been anxious to avoid the infra-factional fights dogging that movement at every turn.

The Accomplices

The need for complete unity in purpose, in program, in personnel was among his chief concerns when on July 1, 1936, the first $500,000 for the S.W.O.C. offensive had been raised by the U.M.W. ($150,000), by the Amalgamated Clothing Workers ($100,000), and by the International Ladies Garment Workers ($225,000), with the remaining $25,000 contributed by various other C.I.O. affiliates. Encouraged by the amount of his ammunition and, like all Scotsmen, determined to make every penny count, Murray set up headquarters in the very heart of steel, in Pittsburgh. He rented a suite of offices on the 36th floor of the Grant Building, which houses more of steel's officialdom than any other building in the country. Riding up and down in elevators both steel executives and unionists had to guard their conversation lest a careless word be overheard to give aid and comfort to the enemy.

Like a good general he surrounded himself with an able, resourceful staff. As Regional Director for the Pittsburgh area, he selected lanky, gray-haired Clinton S. Golden, former locomotive engineer, chicken-farmer, and one-time New Deal

Times Wide World

PHILIP MURRAY AT DETROIT: "It is an outlook which, as embodied in the C.I.O., spurns the derby-wearing, cigar-chewing, 'I'm tough, see,' walking delegate of bygone days."

representative for the N.L.R.B. For Golden's right and left bowers, Mr. Murray installed smart, scrappy Lee Pressman, quondam attorney for Mr. Hopkins' W.P.A., and the knowing, quick-witted Vincent Sweeney, quondam star reporter for the Pittsburgh *Press*.

Among Mr. Golden's first functions was to persuade Michael Francis Tighe, oak-hearted pilot of the ill-fated Amalgamated Union of Iron, Steel, and Tin Workers to relinquish the steering-wheel to the S.W.O.C. crew. And on September 3, 1936, Mr. Tighe—symbol of an old passing order in labor things—resigned his post, taking with him many ghosts of those "jurisdictional disputes" which had haunted and hindered unionism in steel for a generation. While this obstacle to closer harmony was being removed, Mr. Pressman concentrated on ways and means of cracking wide open various city ordinances in company towns which sought to prohibit such "union activities" as the exercise of free speech and freedom of assembly. Mr. Sweeney started to establish friendly relations with editors, correspondents for news services, radio commentators, ministers, educators, politicians and many other people who, in one way or another, could influence public opinion and help to whip up sympathy for the S.W.O.C. and its aims. He also dug diligently into files of complaints from steel workers, complaints ranging from overlong hours to defective smoke glasses, and boots and gloves which, supplied by the company, weren't properly treated with chemicals to withstand heat and prevent dis-

comfort and burns. Grievances which might strike a recognition spark of "why, that's my trouble, too" were boiled down into pamphlets of simple prose.

"The most difficult thing, we were up against," said Mr. Murray recently in an exclusive *Current History* interview, "was an intangible. It was fear—fear of fellow-workers, of foremen, of superintendents, of neighbors—for in most steel plants even a kind word about a union meant loss of your job—and a probable black-listing, besides."

The abrogation of civil liberties in steel dates from June 22, 1892. It was on this day that Andrew Carnegie, dissatisfied with his tremendous profits from the $25,000,000 Carnegie Steel Company, decided to make a few thousands more a week for himself by cutting wages. He ordered his good Man Friday, Henry Clay Frick, to smash the "Amalgamated Union" and its collective bargaining claims and to spare neither money nor mercy in doing it. After the bloodshed of the famed Pinkerton battle, in which Homestead workers, striking against this new open-shop policy, drove detectives out of town with guns, Mr. Frick with the aid of 8,000 militia finally carried out his instructions and broke the back of unionism in steel for years to come. During the many weeks of this turbulence and strife Mr. Carnegie in Skibo Castle, Scotland, meditated upon the loveliness of libraries and the enlightenment that leads to brotherhood and peace. And for more than 40 years thereafter the "Frick method" of using every weapon to instill in workers' minds awe and terror of the company's all-pervasive power—legal, political, economic—kept steel aggressively, even boastfully, an open shop.

Fighting Fear

The 150 organizers dispatched to steel's four corners by Mr. Murray were coached in measures to banish the banshee of all this apprehension. They told puddlers, rollers, and the rest that "times" were different, that their hour had come. During the first stages of the S.W.O.C. drive, in furtive gatherings in dingy halls, a speaker would end his exhortation with a punch-line gesture sure to bring down the house. He would cross his middle and index finger, lean confidentially towards his audience and say: "And I tell you, boys, John L. Lewis and President Roosevelt, why, they're just like that," and he would hold his entwined fingers high in the air until the full import of his remark sank in. "Like that, like that. . . ." were the words and gestures repeated by thousands of steel workers to whom the very concept that a President of the United States could be at least friendly to one of their leaders was at first incredible and then a possible pathway to paradise.

In Pennsylvania, S.W.O.C. organizers proved their contention that times had changed in dramatic fashion. Lieutenant Governor of the Quaker State was, and is, Thomas Kennedy, a U.M.W. member and an ardent unionist. Often S.W.O.C. emissaries called on him to supply State troopers to protect their squadrons from unduly hostile local authorities. It was a common sight in Pennsylvania, especially during the fall and winter of 1936–37, to see State troopers, armed to the teeth, preserving law and order in steel towns while S.W.O.C. orators proclaimed the new day from street corners or sound-trucks.

It was not until the atmosphere had been cleared of fear, until the workers' sales-resistance to unionism and its consequences had been replaced by the consumer acceptance generated by S.W.O.C. propaganda, that Mr. Murray felt ready to begin signing up members.

The first job, of course, was to create contacts with key men who would serve as radial centers for the dissemination of S.W.O.C. doctrine. At the outset, Mr. Murray and his aides sought mainly to interest former members of the Amalgamated Union, or others with union background such as mine-workers who had left the pit for puddling. And to ward off suspicion of group gatherings a S.W.O.C. organizer would ask a new convert to hold a raffle at his home. While the lucky numbers were drawn and the women gossiped, a man here, another there, was taken in a corner

and sold the S.W.O.C. program. He was then asked to suggest the names of other prospects. By this means an "active list" was quickly built up. Sometimes, of course, a poker party or a horseshoes tournament in a backyard served as rallying point for potential S.W.O.C. adherents. Dues were one dollar a month for the employed. The jobless were admitted without charge. All income from dues was ploughed back into the locality whence it came and used for hiring a hall, for printing handbills, and the like. As soon as a new member signed his card, it was mailed hastily to headquarters in Pittsburgh to guard against a "raid" of an organizer's hotel-room upon some trumped-up charge.

The S.W.O.C. field men next turned to fostering alliances between the many fraternal societies, the "Lithuanian Lodges," the "Polish Mutual Benefits," and "Czecho-slovakian Sokols," along with church groups and card clubs and even Legion Posts. At the outset a series of conventions was held in every community. Every segment of steel's working populace, racial and religious, was represented by its own delegates. Officers were elected, and strategy discussed. What were the main grievances at Youngstown's big rolling mill? And would little Bill Dombrowski be a good man to head up a shop committee in Aliquippa? Was Argenti to be trusted? Everyone said his brother was a stool. After a time the community conventions were supplanted by regular district meetings and in turn regional and national conclaves were quietly held. Meanwhile the local officers of each unit were given constant "pep-talks" to educate them in S.W.O.C. objectives and tactics. They were assured that, as leaders, they had a job which required their best, which indeed could only be accomplished if they had confidence in themselves, disciplined their followers, and maintained complete devotion to "the cause."

Assaulting Company Unions

Last but not least on the S.W.O.C. schedule was the maneuver to win over and absorb the company unions. When section 7a of the N.I.R.A. promised a new era in collective bargaining, steel was among the first industries to set up such employee representation groups to evade any independent unionism. From the employers' standpoint, it was a mistake. The company union, despite all its restrictions of management control, taught the men to act in concert. It taught them to formulate demands. It taught them parliamentary procedure. It "gave them ideas." It gave them a voice, however weak, in running *their* industry. And when too often management refused to rectify abuses brought to its attention by company union spokesmen, an under-the-surface revolt, national in scope, began to simmer. More and more the workers were convinced that through the device of the company union they had been soft-soaped into ineffectuality. They believed with increasing fervor and ferment that their real interests had been betrayed by benefits which existed chiefly on paper.

To crystallize this atmosphere of discontent Mr. Murray sent out word that the S.W.O.C. would be glad to help company union chieftains in gaining their goals. The S.W.O.C. legal division would be delighted to supply pointers in questions of law. The research department would be equally pleased to furnish facts and figures on how much a particular steel corporation paid in dividends last year, the size of official salaries and bonuses, and the amount of its capital reserves. At the same time, leaders of company unions were buttonholed, beered-with, brought into the S.W.O.C. line of thinking. A number of them came over bag and baggage to the S.W.O.C. by the end of summer, 1936. Then at a conference of company union groups on September 16, 1936, it was voted to help the S.W.O.C. gain control of the two most powerful employee representation units: the Calumet Central Committee (Chicago) and the Pittsburgh Central Committee. When this result was achieved by special elections, lobbyings, and borings from within, a joint board representing both Calumet and Pittsburgh bodies, and

studded with S.W.O.C. advisers, was ready for business. It promptly adopted a new wage program asking a five dollar per day minimum for common labor as against the four dollar per day that had just been established by steel corporations to "ward off the menace of the C.I.O., and the communism of John L. Lewis."

This basic demand was followed up by others asking strict enforcement of seniority rights, vacations with pay, protective provisions such as better ventilation, and recognition of this S.W.O.C.-controlled joint board as the collective bargaining agency.

"We kept them constantly biting at the heels of management," says Mr. Murray, "for these concessions. We made certain of one thing—facts. We triple-checked our facts on company earnings, and ability to pay higher wages."

The Big Push

At about this point, coinciding with Roosevelt's re-election, Mr. Murray decided that the days of quietness were over, and that the day of skirling bagpipes had arrived. He had spent about $75,000 a month; he had signed up 50,000 members; he had coordinated the activities of all pro-S.W.O.C. groups in steel. He felt prepared for a really big push.

From the late fall of 1936 through the turn of the year, the S.W.O.C. let go with everything it had: rallies, speakers, leaflets, pamphlets, posters, radio broadcasts, meetings in the street, at home, in a bar, conferences and parades to celebrate again the victories of various "labor candidates" at the polls. The response was overwhelming. Nearly 2,000 new members a day began swamping the facilities of S.W.O.C. regional offices.

Stream-line Unionism

Speeding into steel towns where to mention union was a heresy went cars carrying S.W.O.C. flying squadrons. On many occasions they were accompanied by special investigators from Washington, D. C. with banners draped over the hood of their automobiles and carrying the legend:

"CAR OF THE UNITED STATES SENATE"
LA FOLLETTE CIVIL LIBERTIES COMMITTEE
Investigators

Local authorities — policemen, sheriffs, company guards—took a long hard look at this cavalcade and sighed. It was impossible to shoot, club, or tear-gas this aggregation. For all they knew they might hurt a Senator or something, and then where in hell would they be? It was the turning point, as word traveled quickly that even Weirton had been invaded by this technique.

On March 2, 1937, Carnegie-Illinois signed its famous agreement with the S.W.O.C., ending an era.

Today Mr. Murray's organization numbers 275,000 out of the 450,000 workers in steel. And it was the S.W.O.C. "acid-tested" tactics that are now the model and maxim for C.I.O.'s organizing drives in textiles, in oil, in aluminum, and in other mass production spheres.

Back of Mr. Murray and the S.W.O.C., of course, were John L. Lewis and the 15 unions of the C.I.O. with all its far-reaching power and prestige. Both that power and prestige derive from a new labor philosophy, the "industrial idea," the essence of which is that the vertical, centralized holding-company control over industry must be met by the same kind of control over labor. A first premise of this outlook is that the monopolies of the "Big Money" must be matched in economic and political strength by mobilizing masses of men. It is an outlook which, as embodied in the C.I.O., spurns the derby-wearing, cigar-chewing, "I'm tough, see," walking delegate of a bygone day and all that he symbolized. It insists on brimming coffers. It hires first-rate brains. It stream-lines its strategy. It makes a fetish of efficiency. In every respect, it emulates the structure of Big Business, fighting it with its own weapons, and propelled by a kind of crusading zeal that portends profound changes in the relationship between capital and labor in the United States.

GERMANY'S NEW ROADS

Are these Nazi highways designed for the traffic of tourists or war tanks?

By FRANK C. HANIGHEN

IN THE next war, generals will ride to glory not on horseback but on rubber tires. This at least may be said with certainty in a world where mechanization and motorization stand out as the watchwords of military preparedness.

What this has to do with the gigantic road-building and auto-construction program which Germany has launched is another and perhaps disputable matter. Road-building, the Germans point out, constitutes an excellent and wholly pacific method of fighting the depression. It provides an easy way of absorbing the unemployed. Increased 'auto production demands better communications. And tourist traffic must be accommodated.

In a Germany, however, where Dr. Schacht permits tourists only $10 worth of the troublesome registered marks a day as spending money, the tourist argument lacks force, and the feverish haste with which the new roads have been built suggests that putting the idle to work has other motives. Besides, in a country where finances have touched the nadir of unsound economy, the expenditure of billions of marks on new roads, when the old roads ranked as some of the best in Europe, seems an extravagant gesture on the part of a frugal people. Unless, indeed, the building of roads stands on an equal plane with the similarly extravagant armament program.

Let us see what the German motorization program amounts to. Certainly no expense has been spared on the new road system. The new Reichsautobahnen, "German motor-ways," program was started in September 1933 and projected a network of new roads amounting, when finished, to 4,340 miles. By the end of 1936, the completed roads were estimated by some ob servers at 600 miles, others at 1,000. Ir any case, in 1937, some 3,000 kilometer: have been scheduled for completion an(by 1939 the whole job should be done More than 250,000 men in the Reich Labo Army have been employed at this work On the first construction jobs, 300 millio1 marks were expended. In 1936 one billio1 was allotted and this is just a start.

Such vast expenditures have gone int(something more than roadscrapers an(sand-pit gravel. The new roads in German' do not resemble existing German road (nor, indeed, few others in the world sav(some in the United States). The old Ger man roads, well paved with macadam o concrete, admirably served the tourists an(leisure-class motorists. But they were nar row. Only two vehicles could pass i1 opposite directions at a time and they fea tured hairpin curves. Auto traffic ra1 viscously through the crooked medieva streets of old German towns.

But tourists in 1939 will find a differen picture. The roadbeds have been fashione(with meticulously scientific care. Soil sam ples have been gathered in great quantitie and put to many tests in laboratories. Littl(earthquakes have been staged to investigat(just how much strain the ground will stand Marsh-land and sandy terrain have bee1 removed until the rock subsurface is ex posed, when the business of placing th(heavy ribbon of concrete is started. Th(new roads are 90 per cent concrete, 5 pe cent asphalt and 4 per cent stone blocks

When completed, the roads satisfy th(most exacting traffic planner. They ar(divided into twin speedways—each 24½ feet wide with from 4 to 6 yards of tur

GERMANY'S STRATEGIC HIGHWAYS — DOUBLE-TRACKED FOR PEACE OR WAR
Main lines in use
Under construction
Contracted for
Main lines planned
Complementary lines mostly planned
North Sea
DENMARK
Baltic Sea
königsberg
East Prussia
hamburg
stettin
bremen
HOLLAND
essen
berlin
POLAND
German roads on the East are being pushed into Upper Silesia, across from Poland's heavy industry, and through West Prussia, where the Polish Corridor cuts off communication with separated East Prussia
German super highways converge in the West upon the Rhine-Ruhr area of heavy industry now being protected by the "Hitler line" to match French and Belgian fortifications opposite
BELGIUM
aachen
frankfort
dresden
CZECHOSLOVAKIA
The Czech frontier is rimmed with highways
FRANCE
munich
HUNGARY
SWITZERLAND
AUSTRIA
Little has been done toward the frontier of Switzerland
Converging on Munich, the South German network extends toward Austria
Fact-Picture by Charles Hodges ©

between right and left thoroughfares. This interstice in many places has been planted with hedges to stop the glare of headlights. Every precaution has been taken to prevent accidents. Concrete and asphalt strips have been laid a yard wide on the outside, a half a yard wide on the inside. Deep ditches on the sides have been filled in and gently graded, and trees and other obstacles near the roads have been cut down.

Blasting and grading have eliminated steep hills and sharp curves. There are no grade crossings; bridges or underpasses take care of cross traffic. Intersecting ramps have been built with gentle grades to enable motorists to enter the roads without disturbing traffic. These highways have been routed to detour the larger towns and cities. Berlin, for instance, has a huge belt motorway girdling the city several miles outside the city limits. Through traffic approaching Berlin will simply follow this belt until it reaches the desired highway on the other side.

Concrete and Strategy

Now these are lavish accommodations for the man at the wheel, and not even the United States, where motorists are the most favored citizens, have commenced to plan roads with such scope and thoroughness. Are the new *Reichsautobahnen* merely luxuries for the owners of Hispano-Suizas? The French do not think so. General Serrigny, writing in the *Revue des Deux Mondes*, points out: "On these routes, trucks each carrying 30 men and travelling two abreast at a constant speed of 38 miles an hour and spaced fifteen meters apart would make it possible to transport 72,000 men an hour, assuming that half of the trucks were used for material. No more slow embarkations nor tedious stops in railway stations; not even bottle-necks are to be feared. The mechanized weapons of the army can be shifted from the right-wing to the left, from one theater of operations to another with a speed unheard of before. The speed of maneuvers can be increased tenfold without increasing in proportion the difficulties of supply."

The French, of course, nurse a perennial suspicion of their neighbors across the Rhine. But the British (at least until recent months) have been less alarmed about German preparations. Therefore, a quotation from *The Week* of London of last fall seems appropriate:

"The apparent slowness in constructing the new German motor roads is, in the opinion of an engineer-informant in Germany, directly related to the contemplated use of a new super-tank, which may without exaggeration be called a mobile fortress. The roads are built with the utmost care for far heavier traffic than can normally be expected to travel on motor highways."

"From one sector of the frontier to another. . . ." That hardly harmonizes with recent newspaper features headed "Travel and Recreation: Germany's New Motor Roads." To an untrained observer a map of the *Reichsautobahnen* seems to reveal nothing more than a natural network of roads linking all the great centers of population, the manufacturing districts and the playgrounds (Black Forest and Rhineland). True, the roads on the west parallel the French frontier, and antennae point like warning fingers right to the French, Belgian, and Swiss frontier towns (Cologne-Aix-Le-Chapelle, Mainz-Saarbrucken, Speyer-Saarbrucken, Speyer-Basel). But these antennae might be merely to facilitate international tourist traffic.

However, in two extremely important zones, this road system has been pushed intensively for less peaceful reasons. Since the whole network will not be finished for several years and since war may break out tomorrow, the fact that these two zones have been completed now, is significant. One of the largest portions of the network, the Leipzig-Bayreuth road, stretches through country of an almost Iowa-like monotony, which certainly holds no attraction for tourists. Also this road has little importance for commercial transport, since the railways here amply serve the manufacturing centers. The Leipzig-Bayreuth *autobahn* obviously possesses but one *rai-*

son d'être—it draws close to the western end of Czechoslovakia, along the opposite shore from that "coast of Bohemia," which is the Prague government's most vulnerable frontier. "Who is master of Bohemia," said Bismark, "is master of Europe." Most of Czechoslovakia's industry is concentrated in Bohemia, and here live the great majority of the three million Germans who constitute an unabsorbed and discontented part of the polyglot republic. Political commentators have long predicted that a rising of Nazi sympathizers in Bohemia would coincide with a military attack by Germany.

But Czechoslovakia has an alliance with France. France, presumably, would come to Czechoslovakia's aid if attacked by Germany. In view of this, another section of the *autobahnen* assumes great and strategic significance. When German troops occupied the Rhineland last year, it was with the open intention of preventing the French from ever succoring its Central European ally. The map indicates that French military assistance to Czechoslovakia would have its focal point in the area between Frankfort and Karlsruhe. And just between these two points another long and carefully constructed section of the *autobahnen* gives the Reich's motor army an excellent means to stop a French invasion. should it occur tomorrow. For purely military reasons, the builders of the road network have done well to complete the Frankfort-Karlsruhe section.

It should be mentioned that the German Staff has recently felt some doubt about the value of the present highway planning in view of the experience in the Spanish war. In Spain, the magnificent highways constructed by Primo de Rivera have been so conspicuous that they have been easy marks for attacks by both rebel and loyalist planes and as a result much traffic has sought the comparative safety of the smaller side-roads. The Germans, therefore, have been reconsidering the nature of the whole *autobahn* program and it is likely that the smaller, side roads in Germany will receive more attention.

Auto Speed-up

The most remarkable fact about Germany's motorization program, however, is not the extensive building of roads but the amazing increase in the production of motor vehicles. Germany has jumped from fifth position among world auto producers in 1932 (United States, first; Britain, second; France, third; Canada, fourth) to third place in 1935, with only the United States and Britain leading her. In 1932 Germany had but one motor vehicle to 100 inhabitants. In 1935 it had one to 59. Still a long way from the United States with one to five, it is nevertheless rapidly advancing toward France's figure, which has hovered around 22 for several years.

This extraordinary increase did not arise from the laws of demand and supply, but from a systematic program of subsidy and assistance to the motor industry. The Nazi government immediately on entering office pushed a program of "more motor cars." All public officials were subjected to constant propaganda and pressure to buy cars —or if they possessed old cars, to replace them with new. Traffic policemen had orders to stop drivers of old cars and to urge them as a patriotic duty to buy new ones. So much for the work of propaganda leader Goebbels. But Dr. Schacht, economic dictator, took even more effective steps.

One of the most important of these steps was the reduction of the heavy taxes on motor vehicles which discouraged the purchase of cars under the Weimar republic. The state took over the control of racing car construction, supervising the designing of models and supplying finances. Motor car manufacturers have been given subsidies or what amounted to subsidies. The state has participated in motor stock issues and has given free land for factories, exemption from taxes and dumping bonuses to motor firms. It has also encouraged mergers and the reduction of the number of types of cars. Thus, 17 firms in 1932 produced 60 different models, while 16 firms in 1934 produced but 51. This may merely be the results of efforts to put order in chaotic sales conditions, but it is likely

Times Wide World

***BROAD HIGHWAY:** Germany's new motor roads are viewed with suspicion. However, it has even been suggested that the Germans built them for pleasure and convenience.*

that the Germans have learned from the difficulties which U. S. army experts faced in France during the war, when the A. E. F. used 216 different types of motor vehicles and suffered severely from the problem of supplying parts.

Under such touching solicitude, Nazi motor firms have taken on new life. The Opel firm has become the greatest auto manufacturer on the Continent. This firm employed 6,441 workers in 1932—18.000 in 1934. It produced 20,081 vehicles in 1932—102,293 in 1935. Truck production has boomed. Four years ago trucks of more than eight-ton capacity did not exist in Germany. Today, you can see trucks of 15 tons on German roads, provided with six-wheel trailers. Save in the armaments business, no branch of German industry has manifested such lusty health. Nazi leaders proudly point to the fact that in 1935 Germany possessed 2,157,811 motor vehicles. The goal is now "three million by 1938."

The People's Car

The *Volkswagen* or "People's Car" will be the most striking feature of this mass production, according to the Nazi propagandists. This new model will, for the first time, place motor cars within reach of the lower-income groups. In former years only the upper and upper-middle classes could afford cars. Even the standardized Opel never was distributed as widely among the mass of the people as the Ford in this country, or as the Morris-Cowley in Britain and the Citroen in France. The *Volkswagen* is designed to make the Germans a nation of auto owners. Its price will be less than $500 and it will have a speed of from 50 to 60 m.p.h. Beyond that, however, and the fact that mass production has not yet started, no official details are obtainable. Not even the latest Junkers bombers have been surrounded with such official secrecy.

But some idea of the *Volkswagen* may be derived from an examination of the small, cheap "sports models" which have been described as its prototypes and which have been sold in considerable quantities. The *Volkswagen*, if it is anything like these "sports models," will be used for more than just Sunday-afternoon driving on the newly paved roadways.

These models are definitely designed for cross-country driving—across fields and ditches. The bodies are constructed as light as possible (usually of ply-wood) with steel-tube folding seats, no doors and a light canvas hood. The chassis is short (so that the rear does not hit the ground going over ditches), with independently sprung

axles having very large wheels (to give plenty of ground clearance). One model has chassis and body made independent of each other by connecting them with large springs. This has proved very durable and efficient especially off roads and in hilly country. Some of these models have been adopted by the German army, their glass windshields replaced by bullet-proof armor-plates and bucket seats installed. One model has engines manufactured by Krupp armor-plated for protection of the engine against bullets and shrapnel.

Attaque Brusquee

Why should the Germans desire a popular car which can successfully traverse ploughed fields, when they are spending billions on paved roads? The key to this puzzle may be found in the NSKK. The NSKK (*National Sozialistisches Kraftfarhrkorps*) or National Socialist Motor Corps with 500,000 members organized in full military fashion in 21 brigades is composed of "volunteers," most of them of the middle-classes who can afford to own autos and motorcycles. The close connection between this corps and the German army, particularly the mechanized and armored car divisions, is admitted. Army officers assist in the training and maneuvers of this corps. The maneuvers include such subjects as hand grenade throwing, map-making, field reconnaissance and rifle marksmanship. In addition, the members study automotive engineering and the repair and driving of cars and motorcycles. The patron of the NSKK motor sport school is General Lutz, head of the Armored Force and Inspector of Army motorization.

Such activities may promote sport. They are more likely to provide material assistance for that *attaque brusquée* which has long dominated the German military mind. According to the theories of Von Fritsch, mechanized forces, including tanks, armored cars, and bodies of troops transported by motor, can deliver a quick, strong thrust sufficient to break even strong fortifications like the Maginot line. Tanks now move at such high rates of speed—15 to 45 miles an hour—that unlike the last war, troops on foot cannot possibly keep up with them. Gallieni rushed troops to the Marne in Paris taxicabs and saved the day. The NSKK tomorrow may throw thousands of well-trained car drivers, their private vehicles filled with troops, down the broad highways and across fields and ditches to back up the mechanized battalions as they batter their way through trenches and redoubts. Lest there be any doubt of the official sponsorship of these tactics (and their preparations) mark this statement from the Berlin *Borsen-Zeitung*, well-known to be the mouthpiece of the Reich Ministry of War: "It is precisely the technical progress in the sphere of motorization, by the invention of transport vehicles almost as efficient as tanks in cross-country work, that makes it possible for the infantry to occupy at full speed ground for which tanks have prepared the way by dint of frontal or flank attacks."

Of course, this may all be merely the exuberance of a militaristic, uniform-loving people and the *Volkswagen*, geared though it may be for ploughed fields, may continue indefinitely to speed along the luxurious motorways in the most peaceful manner. However, the German military command seems to be missing no tricks. The French and British press have recently reported stories of German mobilization orders which place all owners and drivers of motor vehicles in a permanent state of mobilization. Only a telephone call from the Ministry of War is necessary to set them all in motion. These instructions also give to each of these sport-loving individuals an authorization to obtain a quantity of gasoline and lubricating oil—including a surplus supply of 20 liters—free on presentation of the order at any garage.

OUR LIBERIAN PROTECTORATE

The responsibility of the United States toward its "colony" cannot be overlooked

By JOHN C. LE CLAIR

LIBERIA today is the last independent sovereignty in Africa. The part played by the United States in making this possible has been a considerable one as evidenced by the many occasions during the past years when her aid has been asked and given. Liberia has been described as a moral protectorate of the United States, a pseudo-dependency—our black stepchild. Present world conditions would appear likely within the near future to raise the question of how far the United States is willing to go in the defense of the black republic.

The people of Liberia see in the fate of Ethiopia a warning as to their own danger as well as an indication of the inability, if not unwillingness of the League of Nations to protect them if the need should arise. They see confirmation of their worst fears in statements such as that attributed to J. B. M. Herzog, Premier of South Africa, that Liberia should be thrown to Hitler. As stated in Monrovia's *Weekly Mirror:* "It is evident that Liberia is destined to be the next objective of European imperialism and unless Liberians refuse to be a nation of orators and cease from idealizing, and look to machine guns and bullets and gases and explosives as the god of the ark of the covenant and not the covenant of the League of Nations, they are doomed because the republic is unarmed and is incapable of any resistance from without."

Obviously, therefore, with land-hungry nations on the march, the question of the American stake in Liberia and the extent to which, in line with past policy, we would undertake to protect both it and them, become of greater importance day by day.

Liberia owes its inception to the work of the American Colonization Society, which was organized in 1816 to colonize American Negroes on the west coast of Africa. After several attempts in 1820 and 1821, a settlement was finally made on the Mesurado River and named Monrovia, after the fifth President of the United States. Further settlements made by a number of state colonization societies also of American origin were united with the former into one central government in 1837. In 1847 Liberia was organized as a Republic with a constitution modeled after that of the United States. Today it occupies an area of 43,000 square miles with an estimated population of one to one and a half millions of people, all of the African race with the exception of about 300 whites, approximately half of which are American citizens. They are mainly missionaries, traders, and rubber plantation personnel. The Firestone Company has a large rubber concession in this country.

The United States has repeatedly indicated its interest in the welfare of the black republic. Cruisers have been sent to aid the Liberian Government in the suppression of native revolts and to prevent foreign intervention. Our State Department has not hesitated to interfere on occasion to protect the interests of the country with regard to boundary disputes with various European powers.

The history of Liberia during the past century, as that of other backward nations, has been a struggle to maintain economic and political freedom. These difficulties have been aggravated by chronic mismanagement of her finances, by disputes with foreign concessionaires, and by attempts on

OASIS OF INDEPENDENCE: *Despite the lure of its rich rubber resources, Liberia alone in Africa has retained its political independence.*

the part of foreign banking interests to realize on loans made to the Government on terms particularly favorable to themselves.

There is a familiar pattern in the financial history of backward or minority groups. Indebtedness followed by inability to pay constituting the pretext for intervention and the political absorption of the territory; undoubtedly such would have been the fate of Liberia in the imperialistic heyday of the pre-war period. Wedged in between Sierra Leone and the French Ivory Coast, her territory became the battleground for the conflicting interests of Great Britain and France. The year 1908 was marked by increased activity on the part of these colonial powers. Protesting in the tried and true fashion of imperialistic powers against the apparent inability of Liberia to prevent the raids which they claimed were being made across their frontiers by the Kru tribesmen, they demanded the establishment of a Frontier Force under European command. As Great Britain had been foremost in launching these protests, the command was given to a former British officer under whose supervision it became a formidable force. However,

French opposition to this, coupled with a demand for equal official representation, forced the Liberian Government, weak as it was, to dismiss all foreign advisers.

"An American Colony"

Whatever action these powers might have contemplated was forestalled by Liberia, which sent a mission to the United States seeking financial aid and diplomatic assistance. President Taft, with the consent of Great Britain and France, appointed a commission of three members which sailed for Monrovia aboard a gunboat in April 1909. It was during the course of discussions with regard to the status of Liberia that Secretary of State Elihu Root declared that "Liberia is an American colony."

After investigation the Commission recommended that we take over the debt of Liberia, reorganize its administration, and use our good offices to settle the frontier disputes with Great Britain and France. The Commission also suggested the acquisition of a coaling station on the coast.

In 1911 the recommendations of the Commission were formulated into agreements by which Liberia transferred the territory of Kanre-Lakun to Sierra Leone in exchange for a strip of undeveloped territory of about the same area on the south side of the Morro River, which became the boundary between the two territories. France was pacified by the cession of some 2000 square miles of territory in a second frontier agreement.

The financial recommendations were embodied in a five per cent loan for $1,700,000 in 1912. Great Britain, France, Germany, and the United States participated in this loan, although the majority of the capital was British. The security of this loan was the customs, rubber and other taxes. An American receiver-general and financial adviser, along with British, French, and German receivers, were installed and American Army officers began the organization of a police force. To a great extent Liberia's independence had become quasi-independence.

The outbreak of the war in 1914 placed Liberia in great danger of becoming the battleground of the conflicting powers. The U. S. S. Chester was ordered to Liberia, where it proceeded to patrol the coast and lend "moral assistance" to the Government. The War Department also sent 500 Krag Carbines and 50,000 rounds of ammunition at half-price, payable in advance.

Subsequently, Liberia, as a result of American influence, entered the war on the side of the Allies. The poor financial state of the country made a loan necessary and, under the Second Liberty Loan Act of September 24, 1917, a credit for $5,000,000 was earmarked for Liberia. In November 1918 the United States notified the French and British Governments that under an amendment of the loan agreement of 1912 the United States intended to convert the loan and its administration into an "All-American Receivership," which would control both the internal and external revenues of Liberia. However, with the ending of the war, interest in the payment of this so-called "war loan" declined, and although in 1919 Liberia sent a commission to the United States the loan, although previously authorized, was never made. The subsequent action of Congress in prohibiting the extension of further war loans marked the final chapter in the negotiations.

Firestone Enters the Market

The failure of this and of a subsequent loan agreement also for $5,000,000 attempted in 1921 left Liberia in financial difficulties for which there appeared little possibility of solution until the Firestone Rubber Company undertook negotiations in 1926. The aim of this organization was to secure a source of raw rubber that would enable it to compete with the British monopoly in the Far East.

The Liberian Rubber Company, which was the beneficiary in 1898 of the first concession granted by Liberians, had set out a rubber plantation at Mount Barclay about ten miles from Monrovia. After becoming part of the Liberian Develop-

ment Company in 1904, operations had been continued until 1918 when, finding it impossible to compete with Eastern sources, the company had given up. The Government, to whom the plantation now reverted, continued operating for another year and then in turn abandoned the project. It was this area which, first taken over by the Firestone interests in 1924 for a 99-year period, sold them on Liberian possibilities. The resultant "Planting Agreement," enacted into law by the Liberian Legislature on November 10, 1926, comprised a lease for 99 years of up to 1,000,000 acres of land of the public domain of Liberia on condition that the Firestone Company pay an annual rental of six cents per acre for each acre taken over and a one per cent export duty on every pound of rubber shipped. This last was to be based on the prevailing price of rubber in the New York market. Other agreements concerned the construction by the Firestone interests of a harbor at Monrovia, which undertaking, subsequently found to be impossible, was abandoned.

Our interest is concerned not with the details of the agreement but with its importance as a factor in the political history of Liberia. As in the case of previous concessions this one was also bound up with a loan. At the time the agreement was made Germany was not the important factor she had been before the war nor is today. However, the other participants of the 1912 loan were politically active and for that reason, so it is claimed, Firestone insisted on making the signing of the planting agreement dependent on Liberia obtaining a loan for $5,000,000 from American sources for the purpose of refunding previous indebtedness. It was hoped that in this way foreign influence would be eliminated.

There is considerable controversy regarding the circumstances under which the loan was made. The Liberians in view of past experiences appear to have been against the loan, particularly if it was to come from Firestone sources, and to have preferred an American Government loan. Whether the Firestone loan was forced on the Government at Monrovia or whether the American State Department played a part in advising its acceptance is difficult to say. Certainly it would appear that Firestone had more to gain from allowing the Government to make the loan and do the resultant worrying than do the worrying himself as has been the case during the intervening years.

The loan as signed in 1926 was for 40 years at seven per cent. The ultimate amount was $5,000,000. Through a Firestone subsidiary, the Finance Corporation of America, bonds for $2.500.000 were immediately purchased at 90 giving Liberia $2,027,700 for the purpose of repaying previous indebtedness. Unfortunately, as in the case of previous loans made to Liberia, only about ten per cent was available for productive purposes after this was done. The remaining $2,500.000 has never been taken up by the Finance Corporation, its issue being conditioned on Liberia's customs and head monies reaching $800,000 annually for two consecutive years. An important stipulation of the loan agreement makes it not only impossible for Liberia to obtain additional loans or to create any floating debt until this loan has been repaid but also prevents Liberia from undertaking any refunding loan for a period of 20 years.

The substance of the loan agreement is noted here merely for the purpose of indicating the financial stranglehold it gave American interests on Liberia. The subsequent history of the agreement is interesting if not entirely unexpected. The charges on the loan, including interest on the bonds and amortization as well as the salaries of fiscal officers, mounted from year to year. In 1928 they absorbed 20% of the total revenues; in 1929, 26%; in 1930, 32% and in 1931, 51.9%. In December 1932, Liberia suspended payment on interest and amortization on the Firestone debt.

This action on the part of Liberia brought the American State Department into the situation as well as the League of Nations, to whom the former now

appealed for assistance. Charges of slavery in Liberia had been brought before the League in 1930. As a result of a subsequent League investigation by the Christy Commission, President King, who had negotiated the Firestone agreement, had been compelled to resign early in 1931. The United States had failed to recognize his successor, Edward Barclay, pending reforms in the matter of forced labor.

In 1933 the League undertook a Plan of Assistance for Liberia which attempted to lighten the financial load imposed by the Firestone Agreement. However, Liberia countered with a set of amendments which made the plan impossible and the League withdrew. This placed the matter entirely in the lap of the United States which, to a great many people including Harvey Firestone, was precisely where it belonged. As stated by him following a conference with Secretary of State Hull in 1934: "We believe that the American government should accept the leadership in assisting Liberia to rehabilitation through the League plan, as the American people are responsible for the establishment of that country."

On June 11, 1935 the United States resumed formal diplomatic relations with the Liberian Government. This followed by a few days a joint resolution by the Legislature of Liberia ratifying an agreement with the Finance Corporation of America and the National City Bank, its fiscal agent. This supplemented and amended the loan agreement of 1926 and repudiated the joint resolution of December 23, 1932 which had set up the moratorium. In the same agreement which in substance is the same as that of the League, promises are made by Liberia of improvements in sanitation, public instruction, and the like. The Company on its part has reduced the interest from seven to five per cent, with payment on interest and amortization made dependent on the annual revenues of the country. Latest reports indicate that economic conditions in Liberia have improved. Imports and exports in 1936 increased by 43% and 60% respectively over those of 1935. Interest charges on the total public debt of $2,311,178 are being met, and progress made in the amortization of outstanding bonds and the liquidation of the floating debt. Improvements have been made on roads and it would appear that temporarily at least the financial situation in Liberia has been settled.

"Doubtful Honor"

However, today the political status of Liberia appears to be fraught with possibilities for international complications which are destined to involve the United States. The honor of being the last independent sovereignty in Africa is a doubtful if not a dangerous one. If Germany, who apparently is next in line to secure territorial compensation of some kind, should decide to annex Liberia, its people, on the basis of past relationships, would be justified in expecting American protection. This, taken in conjuction with the greatness of the Firestone Concession whose owners could expect to receive a little consideration in the event of such a happening, would demand intervention on the part of this country.

Doubtless the present Administration, whose policies, as indicated by its action in withdrawing the marines from Haiti, do not lean to intervention, would be in somewhat of a quandary. Yet unquestionably we would be forced to intervene. A century of tradition, which, although not the product of a definite policy, has allowed for certain conclusions by the rest of the world as to our responsibility for the continued freedom of Liberia, would not allow us to remain unmoved if the independence of the black republic faced extinction at the hands of some European Power. Whether as the controlling factor or merely the guarantor, the United States would appear to hold the future of Liberia in its hands.

THE LEPERS OF MOLOKAI

An atmosphere of every-dayness in their manner is evident to an outside visitor

By HARRY A. FRANCK

FEW false impressions of a geographic nature are more absurd than the still fairly widespread notion that Hawaii —or, for those whose learning includes the knowledge that Hawaii is not a single island, at least Molokai—is a leper colony.

Now, there is a leper colony in Hawaii, or, more specifically, on the island of Molokai. But it occupies an infinitesimal portion, hardly one fortieth of the area even of that small island, and is as thoroughly cut off from the rest of it as if it were behind prison walls—better prison walls than those surrounding many an acknowledged prison. For whereas little Molokai is 34 miles long and seven wide, and rises to a height of 4,970 feet, the Makanaloa Peninsula to which the lepers are confined is a sea-level point of land on the beautiful windward side of the island barely 12 square miles in extent, jutting out into the sea from the base of an almost sheer 1,620-foot cliff that effectively cuts it off from the rest of the island and with surf pounding incessantly all about it. No doubt lepers *could* climb that appalling cliff, but few of them have the physical strength, to say nothing of the moral energy, to do so.

One does not visit the leper colony except by permission, which is not easily to be had, and our invitation had been predicated on the promise to bring no photographic apparatus with us.

We drove to Kalaupapa, the leper settlement of today, over caricatures of a road. The triangular promontory, attached to the cliff that overhangs it like a bracket to a wall, is covered with stones big and little, black sinister volcanic rocks, as if they had rained down upon it, as no doubt they did. The lighthouse in its fenced square quite separate from the leper settlement was until recently the last surviving kerosene lighthouse in the United States; it is now, if I caught our driver's words clearly above the gasps of the bouncing car, the largest single electric lighthouse, or the largest one with its own plant, on our coasts.

The main colony is now at Kalaupapa because it is easier of access by sea. At that it is hardly blessed with a harbor. Supplies come by weekly boat, but the seas are rough and there are times when the shipments cannot be landed. The houses the lepers live in are well built, in the simple fashion suited to the Hawaiian climate, bright and cheery with flowers and Hawaii's almost incessant sunshine. The Chinese girl's room in one of the buildings in charge of Franciscan sisters, which was shown us, as an example, in her absence, was neat and orderly, with family photographs and other decorations, small but everything a lodging needs to be. The sisters, aided by Portuguese lay nurses, maintain this home for women on the cottage system, with a central dining hall and an infirmary for advanced cases or those suffering from other ailments, which are frequent in cases of leprosy.

The majority of the afflicted live in homes of their own, as free from outside interference as you or I—as long as they remain inside those eight thousand acres encompassed by natural barriers which they can surmount only by climbing or swimming. Almost every house has its radio. Many lepers keep cows, some even have horses, and there are more automobiles per capita at Kalaupapa than in the United States as a whole. One patient has the Ford agency for the little peninsula and the superintend-

Pictures

***LEPER COLONY:** A section of Molokai as seen from the air. The church in the center foreground is attended mainly by lepers. Catholics, Presbyterians, Mormons, Buddhists—all have their churches.*

ent's latest information on the subject was that its inhabitants had ninety-seven cars in which to ride the four or five miles of "roads" in their restricted little world. People with bandaged hands, some without complete fingers, drive their own cars.

Political Status

They have the right to vote, like any American citizen, or at least any citizen of the Territory of Hawaii. The little peninsula is officially the County of Kalawao, yet not a county at all in the popular sense of the word, being governed entirely by the territorial Board of Health, which appoints and pays the one official, a sheriff. But the political status of lepers is the same as that of any other resident of Hawaii and those with the necessary qualifications can cast their ballots for the territorial Delegate to Congress and for Senators and Representatives to the island Legislature, as well as for candidates for office in Maui County. The Senator from Molokai goes down to campaign for the leper vote, which the small population of the three islands comprising that county makes important.

There are little more than 400 lepers on the peninsula, as against more than 600 when the present superintendent came ten years ago. More were buried during these ten years than are here now. The graves must be dug along the dunes of the beach, for the rest of the peninsula is almost solid rock. Catholics, Presbyterians, Mormons, Buddhists—all the usual sects have their churches and graveyards. An average of one out of four of the afflicted inhabitants is crippled or bed-ridden. There are seldom more than a dozen *haole* lepers; just now

there were only about half a dozen, mostly Germans. There were many Portuguese, but they do not count as *haoles* in Hawaii. Hawaiians, who seem to catch the disease more easily than others, as they did the common diseases imported by the first white invaders, are proportionately the most numerous. There are a score or so of unafflicted husbands and wives living with their leper spouses and something like that many "clean" employees, from the superintendent and doctors down through the *kokuas* or "helpers" who have no special training for the jobs they are doing.

"Every Fourth Face"

The lepers at Kalaupapa take treatment only if they wish, and very few of them do. Chaulmoogra oil injections are painful and for all the publicity it has been given it is of doubtful efficacy. A cure is so nearly hopeless; why force them to do anything that can trouble the last few years—months, more likely—of their lives? Many wear dark glasses, for the eyes are usually affected and become too weak to endure the Hawaiian sunshine. The disease makes one lazy, they say; besides, the sun rises late here to the west of the great cliffs. There is little swimming because salt water hurts the leprous skin. While visitors, who are rare, can hardly but be welcome in such a community, strangers are enjoyed, if at all, mainly from a distance. Most of the inhabitants turn their ravaged faces aside and stroll away.

While I hesitate to put it as brutally as a famous bygone writer that "every fourth face [is] a blot on the landscape," even those residents of Kalaupapa we saw out of doors included some distressing sights: hands greatly oversized, with fingers missing; ear lobes enormously swollen; faces that made the name the ancient Romans gave to victims of leprosy startlingly apt—"the lion-faced ones." But appearances are deceiving, it seems, even among lepers. The most unsightly form of the disease is likely to be the least painful; often there is far more physical suffering among those who show few outward symptoms. The so-called neutral type of leprosy, which attacks the trophic nerves, beginning with the tiny ones of the skin, causing the hands to tighten up, the nerves to grow taut, is most painful but least disfiguring—and less certain to prove fatal. For though the disease gradually moves from the small dead skin centers, where all sensation disappears, to the trunk lines and finally to the spinal cord—there it often strangely and mysteriously stops and the patient may even live to a ripe old age.

The territorial government gives its wards at Kalaupapa twenty-one pounds of poi a week, a pound of meat and $1.50 for other food per day, $21-worth of clothing and from fifty to sixty dollars in cash or its equivalent a year. Those who are able and willing can work at various jobs and be paid in cash. All money used on the peninsula, by the way, is in coins, which can be disinfected before leaving for Honolulu. The village has its own movie house, where the showing of often quite recent films is free on Mondays, and 25 cents is "tops" on Friday and Saturday evenings. In fact, the inhabitants of Kalaupapa lack only a red-and-green traffic light; and they may soon have that. At least there are automobile accidents even now. Kalaupapa even had its murder while we were in the islands. A woman patient shot a man patient with a .22 revolver during a quarrel over a frying-pan, or something of the sort. When we left, the authorities were struggling with the problem of where to try the culprit, and wondering how she could be more severely punished than she was being already.

There is no set time for inspection, but we found the power plant, the slaughter-house, refrigeration room, the poi "factory" in as faultless a state as if health were general and death only a normal visitor. But the carpenter shop was full of wooden coffins waiting for their trimmings—and fillings. The community laundry, scrupulously clean and orderly, had up-to-date machinery for every process. Any resident of Kalaupapa—I am speaking, of course, only of the patients—can have his soiled

linen laundered there free of charge and forget that Monday used to be washday. The *kokua* running the laundry was an American from the mainland who married a then beautiful hula singer at the San Francisco exposition in 1915. She developed leprosy not very long afterward and is now an advanced case; but he sticks by her. A "clean" husband or wife of a leper can leave the colony whenever he wishes, but quite a number have chosen to stay with the afflicted spouse to the end.

The postmaster was a leper; the band master, on the other hand, was not. Letters are given eighteen hours of fumigation before leaving the colony. A Japanese, A.B., University of Hawaii, was manager of the general store, which was startlingly like a well-stocked, well-managed branch of one of our principal chain stores on the mainland. Prices seemed to be a cent or two lower here, where no profit is expected, than at home. Born in the islands, the manager was once a famous baseball player, star second baseman ten years ago on the University of Hawaii team. First he felt one finger growing numb, laid it for a time to a baseball injury. But when pain in the numb hand was accompanied by fever he volunteered for a blood test. The verdict was the shock of his life, but he began treatment at once and was reported cured; or at least the disease seemed to be arrested. So for a year he worked on a plantation. But the symptoms returned and again he "volunteered," this time in the dreaded legion of Kalaupapa, "so his family wouldn't see him." Two years ago only his ears were visibly affected; now all his face was a distressing sight. When he talks of the matter at all he says the worst punishment is the lack of intellectual companionship, for there are not many university graduates at Kalaupapa. Another store-keeper is being trained from among the patients; for the average length of life after leprosy appears is eight years.

Lepers have married, had children, and neither the child nor the "clean" spouse has contracted the disease; for the generative organs are never affected. Even babies born of two leprous parents not only come into the world "clean" but seem little more likely than other babies to contract leprosy later in life. Leprosy is easily contracted in childhood, but not if babies are taken away from the mother early, even by the end of six months, for heredity plays little part. One "clean" woman married five lepers in turn at Kalaupapa, bore children to some of them, and left at the death of the fifth still "clean." In her case it was a paying proposition, for she inherited some property from all her husbands, in one case quite a lot of property. But even the caretaking personnel on that cliff-walled tongue of land does not recommend that particular career, much as they doubt the danger of contracting leprosy by personal contact.

Catholics are so adamant in their opposition to birth control that they forbid their co-religionists to practice it even in a leper colony. Babies born at Kalaupapa are immediately taken away, "without even allowing the mothers to see them." There is a home for non-leprous children of leprous parents at Honolulu, and in the thirty years that records have been kept no case of leprosy among those children has been reported. There is not a child anywhere at Kalaupapa now, not even of "clean" workers, no school, nothing to remind one that the human being starts in miniature. The youngest patient is 11. This communal childlessness was not the case a decade ago. The present superintendent himself signed the decree banishing all children, even his own, from the colony. The complete absence of childish forms and voices is the outstanding peculiarity of the place.

A green fence surrounds the "clean" area at Kalaupapa and lepers never intrude inside it. Doctors, nurses, the superintendents and their servants live "beyond the green fence." They kick open gates, avoid handling door knobs if possible, never touch anything unnecessarily, never tap a cigarette before lighting it and always put the untouched end in the mouth. During our afternoon stroll the superintendent took a letter from the hands of the former baseball-

playing store manager without visible hesitation, as if he did not wish to hurt his feelings by shying at it; but we noticed that he washed his hands with a disinfectant soap just as soon afterward as the opportunity offered out of sight of the patient. No, the workers are taking no foolish and unnecessary chances, though they say they have very little fear of contracting the disease. Father Damien and one other are the only workers authentically known to have contracted leprosy in all the history of Kalawao and Kalaupapa—though two former doctors are under suspicion.

Service to Mankind

The workers tire of one another, quite naturally, like sailors on a windjammer, and stick to their own quarters much of the time, when off duty, with books and radio. They like to see new faces, but visitors are few and far between. Yet there is an atmosphere of every-dayness in their manner, no sticky cheerfulness smeared on, no heroics about service to mankind, just a job to be done to the best of the individual's ability, a constant effort to seem casual and natural, as if people were living just as ordinary lives here as anywhere else. All of them, something testified, have an interest in their work which I, and probably you, could never attain if we were shut off here on a tongue of land sticking a bit satirically out into the Pacific, no matter how delightful the climate and beautiful the scenery.

It is generally assumed that Chinese coolies brought leprosy to the islands, which would lay something else at the door of the sugar planters. But there is no more certainty about that than about who will and who will not contract leprosy, and how, and why. Still, leprosy was first noted in the islands in 1853—and the first Chinese laborers were imported in 1852. Yet one of the first missionaries writes, in 1823, "cases of ophthalmic scrofula and elephantiasis are very common," and these may quite likely have been symptoms of true leprosy. A doctor in Queen's Hospital in Honolulu called attention in April 1863, to "a new disease and its rapid growth." By 1864 it had spread alarmingly, yet the segregation of lepers did not begin until 1866, during the reign of Kamehameha V. Then the Government bought Makanaloa Peninsula, including the fertile valley of Waikolu between its two villages, and sent about 140 patients to Kalawao, stamping, perhaps forever, this isolated peninsula protruding from the center of the long northern coast of Molokai as a world apart.

At first, the exiles were virtually left to shift for themselves and conditions became inhuman. To-day Kalaupapa is reputed the best leper colony in the world. The islands have spent much money on it; now they want some help from Washington. But they do not want Federal interference, or lepers sent there from the mainland.

The only other leper colony in the United States—not counting our "possessions," such as the Philippines—is the U. S. Marine Hospital at Carville, Louisiana, some twenty miles south of Baton Rouge, where at last account there were 352 patients, 21 of them war veterans. In the forty-some years since its establishment there has been no known case of Carville's non-leprous personnel contracting leprosy. People from the islands, who recognize the symptoms at sight, say there are lepers all over the United States. On his last trip to the mainland the owner of Molokai's famous apiary saw a leper tending an Indiana filling station, a leper working on the roads in New Jersey, a leper walking down Fifth Avenue in New York. There are probably several thousand lepers on the mainland, authorities say, of whom only about 350 are shut up in Louisiana. Lepers are not segregated in the majority of States; many of them, including New York State, have no laws concerning it. Nor does the disease increase, for all the inattention to it, in the northern States, though it does in the Gulf States, especially among the whites. In the Hawaiian islands it is steadily decreasing, and some of its victims at Kalaupapa keenly resent being prisoners there when it is agreed that tuberculosis is far more catching and just as fatal as leprosy.

NEWS FROM NEW ZEALAND

The British Empire's first Labor majority embarks on a bold course in the antipodes

By DONALD COWIE

FORTY years ago the British Dominion of New Zealand first earned its reputation as a laboratory for unusual political experiment. Under the leadership of Richard John Seddon a radical government attracted the attention of the world with its arbitration act to fix wages and hours of work by semi-legal awards, its revolutionary land legislation, and its experiments in state trading. In due course, however, the commotion died down, and New Zealand, content with its progress, relapsed into a comfortable but undistinguished existence under governments of a predominantly conservative complexion. Then, in November 1935, the country reverted to type and elected to office the first Labor Government in the British Empire to enjoy a clear parliamentary majority.

New Zealand's troubles started with the economic blizzard of 1929-30. Since it is a farming country, and depends for the bulk of its income on exports of wool, lamb, butter, cheese, apples, and other primary commodities, it was very badly affected by the slump. Prices for its products fell to such an extent that the national income was reduced by nearly a quarter within a year. Urgent steps were taken by the Government of the day, a weak Liberal ministry under Mr. G. W. Forbes, to prevent a financial collapse, but eventually it was necessary for this administration to form a coalition with the Conservative group under Mr. J. G. Coates.

The resulting Government was strong enough to begin the task of economic rehabilitation, even if it was unable for the time being to restore the old flow of trade and reduce unemployment. From the first, however, the Government's recovery measures, which involved general economic retrenchment on the one hand and hugely increased taxation on the other, failed to arouse popular enthusiasm. When the people of New Zealand found their wages reduced by Governmental command, their essential services cut in two by governmental command, and their taxation increased so largely by the same hard cause, they muttered and growled. The national income declined from £150,000,000 ($750,000,000) in 1928-29 to £90,000,000 ($450,000,000) in 1932-33. In 1931 there was an estimated budgetary deficit of more than £8,000,000 ($40,000,000). Thanks mainly to the recovery in world prices, but partly to the Coalition Government's careful husbandry, the national income had recovered considerably in 1935, and the budget was balanced, but it was perfectly logical that when Messrs. Forbes and Coates went to the country for a renewal of their mandate in November of that year, they were ignominously refused.

It was the biggest political landslide in the history of New Zealand, and resulted in the return to office of the strongest Labor Government a British country had had. Prior to the 1935 election Labor had occupied 24 of the 80 seats in the House of Representatives; afterwards they occupied 53. The Coalition's strength was reduced by half at the election, and three of its Ministers were unseated. Despite the unpopularity of the old administration, their crushing defeat came as a surprise to everybody. This was because the Conservatives had hitherto been able to rely upon the votes of the influential farming community. But even the highly individu-

alistic "cockies" turned on their own men in 1935. The general sentiment was that as the Coalition had had their chance, it was now up to the country to give Labor a chance. As a result the new Labor Government was composed mainly of men who had had neither ministerial nor, in some cases, parliamentary experience, but who were usefully relieved from the necessity of working according to precedent.

They did not sit down on it. As soon as the election results were announced the leader of the victorious party, Mr. M. J. Savage, an Australian who had roughed it in many theatres of life, and whose practical idealism was allied to an Irish faculty for making the most of his political opportunities, told the country exactly what he and his colleagues were going to do. First, the unemployed were going to have a happy Christmas. The new Government would make an immediate bonus payment of £100,000 ($500,000) for this purpose. Then salary cuts would be restored at the earliest possible moment. Pension cuts would also be restored, and unemployment would be assuaged by a big new program of public works. The New Zealand currency would be brought back to parity with sterling (Messrs. Forbes and Coates had devalued the currency by 25 per cent to help the farmers), and primary producers would be guaranteed fixed export prices at a profitable level. The Arbitration Court's powers would be enhanced; a 40-hour week and a basic wage would be introduced; broadcasting would be handed over to the people; the Reserve Bank would be nationalized; local manufacturers would be assisted, while relations with the Mother Country would be improved; the workers would be led on to the millennium, but "no wild schemes would be entered upon in doing so." The people could depend on that.

Labor's First Session

Apart from the above-mentioned manifesto and the gift to the unemployed Labor started off quietly. During the 1935 Christmas recess and the weeks leading up to the first parliamentary session of last year, the leaders of the Government were busily engaged in preparing their new legislation. But once the first session was opened the country resounded to the cries of the jubilant and the sorry. During that short session of 11 weeks, comprising only 43 actual sitting days, the Government, hastening procedure by frequent application of the closure, hurried through Parliament no fewer than 15 public acts, together with four local acts empowering municipal bodies to enter upon specified works, and a number of private acts.

The first act passed was the Reserve Bank Amendment Act, and it may be described as the keystone of the legislative arch subsequently erected by the new Government. Before the election Labor stated that they would not allow the bankers to stand in the way of their program should their party be returned to office. So the first act of the new Government was to bring down a bill giving them absolute control of the central Reserve Bank "in the interests of the promotion and maintenance of the economic and social welfare of New Zealand." All share capital was cancelled, and private shareholders were paid off. The powers of the Bank were widened, or restricted, to allow the Government unlimited borrowing facilities; and practically every safeguard devised by the orthodox founders of the Bank to protect it from unorthodox outside interference was modified or removed. In other words, by the Reserve Bank Amendment Act the Government obtained complete control of the currency and credit of the country.

The second measure brought down was the Primary Products Marketing Act. It must be explained that the mainspring of New Zealand's economy is the dependence of the country for the greater part of its income on exports of primary products to overseas markets. When prices in those markets are good New Zealand prospers; when they are bad the country, and particularly the farmers, automatically feel the pinch. The farmers helped to return

Labor to power just because they were told that Labor was going to remove this national economic disability; and the Primary Products Marketing Act, following conveniently after the Reserve Bank Amendment Act, was Labor's fulfilment of its promise. The act embodied a scheme whereby the Government contracted to buy all the farmers' produce at one guaranteed price, and then sell it in the London market at the best figure that could be obtained, making up any deficiencies out of Reserve Bank credit. At first the scheme applied to dairy produce only, which comprises a large proportion of New Zealand's exports, and it involved the appointment of a Minister for Marketing. A State Advances Corporation Act, passed subsequently, provided for the remodeling of the New Zealand Mortgage Corporation as an entirely state institution to take over all the Government's lending activities so that more liberal advances could be made to settlers and home builders.

Pictures

PRIME MINISTER: M. J. Savage, victorious in the last elections, had a "practical idealism which was allied to an Irish faculty for making the most of his political opportunities."

Important industrial legislation followed. Foremost was the Industrial Conciliation and Arbitration Amendment Act, framed to restore to the arbitration system for dealing with wages and hours and labor disputes the powers that had been taken from it by reactionary Mr. Forbes and Mr. Coates. This system, introduced by Mr. Seddon's government 40 years ago, was the wonder of the world at the time, and its principles underlie Mr. Roosevelt's codes scheme and the arbitration law recently introduced by M. Blum in France. But Messrs. Forbes and Coates felt that, by rigidly defining wages and conditions, the system was hampering recovery, and they proceeded to emasculate it by removing the clause of the original act that made arbitration compulsory. So the new Labor act of last year restored full powers to the Arbitration Court; and subsequent measures, the Labor Department Amendment Act, the Factories Amendment Act, the Labor Department Amendment Act, and the Shops and Offices Amendment Act, provided for a compulsory 40-hour week for all workers, a basic wage, compulsory preference to unionists, elimination of Saturday work where possible, and a compulsory right for union officials to have access to employers' premises. State measures to combat unemployment were reorganized, and a big new program of public works started.

The Government Railways Amendment Act and the Transport Licensing Amendment Act can be considered together. New Zealand's railways had been a state institution for many years, but once again Messrs. Forbes and Coates felt that they could improve the system if it were removed from complete governmental control, and they set up a non-political board of business men to take over railways management. Last year's Labor measure abolished this board and restored state control, while the Transport Act simultaneously restricted road transport companies from competing with rail transport.

Of the other measures brought down in this momentous first session the Broadcasting Act was possibly the most im-

portant. It was certainly the most significant. Hitherto the radio had been a state monopoly controlled by a non-political Broadcasting Board after the manner of the British Broadcasting Corporation. Labor decreed, however, that this board should also be abolished, and that, in its place, there should be set up a state Department of Broadcasting, under the direct control of the Prime Minister as a Minister of Broadcasting. At the same time certain small stations were licensed to begin commercial broadcasting, and, triumphantly, microphones were installed in the House of Representatives so that listeners might have the salutary experience of hearing Parliament on the air.

But to many people the biggest surprise of the session was the first Labor budget. Thanks both to an improvement in world prices for New Zealand's produce and to the orthodox husbandry of the previous government, Mr. Savage was able to announce a nominal surplus of £13,000 ($65,000) but provision was made for an increase of nearly £2,000,000 ($10,000,000) in income in the following year by a judicious re-grading of the land and income taxes. This brought the national taxation per head of population to nearly £20, making New Zealand one of the heaviest taxed countries in the world. The new revenue would be spent on increases and new establishments of old age, ex-service men's, deserted wives', and invalids' pensions, and on the enlarged program of public works.

The Second Lap

Labour's second session in New Zealand, or the second half of its first year, was comparatively dull as compared with the first half. Because internal prices were rising as a result of the higher wages and costs promoted by the earlier legislation, a Prevention of Profiteering Act was brought down. In this provision was made for the setting up of a tribunal consisting of a magistrate alone to investigate cases of unreasonable increases in the prices of commodities. The act covered services as well as goods, and high penalties were fixed for profiteering. Basic prices would be determined.

The Government's proposals for the promotion, regulation, and licensing of industry were then revealed in an Industrial Efficiency Act. This established a Bureau of Industry, to operate in an advisory capacity in the promotion of efficiency, to formulate plans for application to individual industries, and to provide for the use of funds from the State Advances Corporation and the Labor Department in the promotion of industry. Soon after this, the report of a committee set up to investigate the spread of chain-store trading was received; the governmental view expressed in this was that chain stores should be subject to state control, and that the replacement of private by cooperative enterprise was desirable.

Other measures brought down in the last few weeks of New Zealand's first year of Labor were the Mortgagors and Lessees Rehabilitation Act, to permit the adjustment of all mortgages and leases executed beforehand in such a way that mortgages would be based on present value of securities, while the rental charged in leases would be reduced to a fair rental value; and the Education Amendment Act, the main provision of which was to raise the state school leaving age to 15 years. During these weeks an order was issued by the Arbitration Court fixing basic wages at three pounds sixteen shillings (roughly $18) a week for adult male workers, and one pound sixteen shillings (roughly eight dollars) a week for adult female workers.

Reviewing his year's work in November last, Mr. Savage declared his satisfaction, and emphasized that the guiding principle of the Government was social justice. "I give you my word we will remain true to our principles and keep faith with the people," he declared, and went on to announce that the proposals for 1937 would include national superannuation and national health insurance schemes, and a complete overhaul of the education system.

The CULTURAL BAROMETER

By V. F. Calverton

THE Spanish Civil War, with its mad, wanton waste of men and materials, its disfiguration and demolition of so much which ancienthood had put the stamp of wonder upon, is the greatest calamity of the post-War generation. Starting off as a civil war, it has already turned into an international war, and there is all too great a danger that it eventually may be known as the beginning of the Second World War, with Spain this time paying the price which Belgium did in the First World War. With at least 60.000 Italian troops and more than 30,000 Germans fighting on the side of the Rebels, with German and Italian fleets active in all Spanish waters, and with Junker planes, tanks, and artillery busy on every Rebel front, Spain has become a battlefield where foreigners are warring in an attempt to destroy a government and a people—and a culture—against which they have not even declared war. Edifices mellowed with historicity have been shattered by their machine-gun fire and razed to the earth and incalculably precious relics and treasures have perished in the fire and smoke of destruction.

It is no wonder, therefore, that Spanish writers, musicians, and artists have risen with such challenging enthusiasm to the defense of their native land. They are determined not only to defeat the Rebels, but, more than that, to defeat the foreigners who have threatened to rob Spain of its independence and to convert it into another Ethiopia.

At the beginning of the civil war many of the Spanish writers, artists, and musicians strove to keep out of it, to maintain an "above the battle" attitude, but as soon as foreign intervention occurred, it was no longer possible for them to remain outside the fray. Very soon, one by one at first, and then in increasing numbers, the literary and artistic geniuses of Spain began to ally themselves with the Loyalist cause. They saw from day to day how the Loyalists did everything in their power to protect Spanish art treasures from the danger of destruction; how, when it was feared Madrid was about to be taken, art collections were moved in the dark of the night, in muffled caravans of horses, cars, and trucks, to Valencia where they would be safe from the salvos of machine guns and the bombs of Junker and Caproni planes. They also saw how Russian aeronauts and French pilots, like the distinguished French author, André Malraux, who had enlisted in the Loyalist cause, went out of their way to protect Spanish art treasures and structures.

All this galvanized the support of the Spanish artists more than ever.

"Side of the People"

It was with the words "I am on the side of the people," that the Spanish musician, Pablo Casals, recognized as the world's greatest cellist, declared his allegiance to the Loyalist cause in the Spanish Civil War. Because of his international reputation, Casals' observations on the Spanish situation are most significant from a cultural point of view. Eager to make it known that his concern in the Spanish civil war was cultural and not political, he asserted, in words which were as graphic as they were gripping:

> I repeat that I am nothing more than an artist. But I cannot bear in silence the accusations of vile deeds that are made against the Catalan people, the people who have no responsibility for the civil war and who are making such heroic sacrifices. Formerly, there were differences between us Catalans and the Spaniards. Now, Catalonia and Spain march side by side, and I feel everyday more Catalan and more Spanish.

More than that, Casals, who has been paid literally fabulous sums in New York and on

Black Star

PABLO CASALS

the Continent for his playing, placed at the disposal of the People's Government (Loyalist) a large portion of his bank account. In doing so, he stated:

> I was one of the rich in Barcelona. Today I am not wealthy but I do not mind. I am a manual worker. Yes, manual, and as such am closely tied to the democratic movement. As is already known, the Catalan Government has asked me to use my art in the cause of propaganda. Before the civil war, and without invitation from anyone, I made much material and moral propaganda by means of my art, for my country.

When he was queried as to why he did not remain neutral in the civil war, he avowed:

> I am on the side of the Spanish people who love and appreciate me. I cannot approve of the Catalan intellectuals who, in the moment of danger, abandoned their country and fled abroad. I know that I could live better elsewhere than Barcelona and enjoy more material comfort. But I declare that as soon as I have finished my foreign tour I will return. I will remain faithful to the Catalan people in their hour of darkness as I have lived with them in their hours of happiness.

When he was asked whether he would give recitals in Germany, he declared with ringing fervor:

> I shall not go to Germany. I made this decision on the day when the Nazis deprived the great conductor, Bruno Walter, of his position. I said then and I repeat now: I shall not set foot in Germany while liberty of thought and art are prohibited. Why am I a democrat? I am a democrat because only in a democracy can the son of a poor peasant rise as I have risen. It is because of this that I shall avoid the roads that lead to Germany.

Don Miguel Unamuno Speaks

A few months ago the cultural world was startled and shocked by the news that Unamuno, one of Spain's greatest philosophers, whose *Tragic Sense of Life* was one of the most thought-provoking and universally discussed books of the twentieth century, had declared himself in favor of the Spanish Rebels. Later information, however, has revealed the fact that Unamuno never made such a declaration. Shortly before Unamuno's death, Dr. J. Brouwer, a Dutch student of Spanish affairs, interviewed the philosopher and stated that Unamuno feared that culture in Spain would be completely destroyed as a result of the civil war, just as it had been in Italy and Germany under the Fascist regimes.

Unamuno's exact words are strikingly revealing:

> There is no culture which could be born, grow, and prosper in a purely militaristic regime. With the triumph of the military mind nothing can prosper. The military mind is empty of all culture.

Upon another occasion, Unamuno averred that the "Rebels may win but they will never convince." In other words, contrary to the information disseminated by the propagandists of Franco, Unamuno remained faithful to the cause of the Spanish Government.

As a final confirmation of Unamuno's Loyalist stand, *The New Times and Ethiopian News* (London) states that "because of his political sympathies with the Loyalists, Unamuno was deprived of his rectorial position; the Rebels were not represented at his funeral; and his sons, although less than twenty years old, together with the sons of ex-President Zamora, have joined the Loyalist troops."

Spanish Sympathizers Speak

Following upon these declarations of Spanish intellectuals, literati in other countries,

eager to preserve Spanish culture from the depredations of foreign adversaries, have lent their pens to the defense of the Spanish Loyalist cause. Ernest Hemingway, one of America's most brilliant authors, left for Spain several weeks ago, determined to devote his energies to the defense of Spanish democracy. Hemingway's main concern is not political but cultural. He has friends among the Carlists (Rebels) as well as among the Loyalists. He wants to help save Spain from being either Italianized or Germanized—or both. John Dos Passos, an equally celebrated American writer, plans to follow Hemingway, it is reported, in the near future. Carleton Beals, whose recent novel was concerned with the preservation of the roots of Mexican culture, has dedicated his pen to arousing American writers to support the cause of the Spanish Loyalists in their attempt to save Spanish culture from being vandalized and victimized by foreign oppression. Stephen Spender, one of the most exciting of contemporary English poets, has been stirred to the roots by the Spanish crisis, and has been writing vigorously in the cause of the Government's struggle against Fascism.

Romain Rolland, one of France's leading writers, has addressed an appeal, which, with tornado-like violence, challenges all French writers to assist the Loyalist cause by dedicating their labors to the preservation of Spanish culture. Heinrich Mann, the brother of Thomas Mann, and a well-known novelist in his own right, has penned a similar challenge to German writers, in which he declares:

> Hitler's crimes reached the climax when he sent German soldiers to Spain. . . . With the Spanish adventure he hopes to prolong his power. Hitler orders German soldiers to make sacrifices to prevent his fall. . . . Against whom is Hitler fighting in Spain? Against the Spanish people, against the democrats and republicans, against Spanish peasants and workers who want to live with human dignity, against free citizens who shook off the yoke of vampires.

In Mexico, writers, musicians, and painters, including Diego Rivera, one of the greatest painters in the world today, have joined in this same struggle for the preservation of Spanish culture.

Never, in many decades, have intellectuals become so concerned with the problem of cultural preservation and the right of a people to maintain their cultural integrity and independence.

America's Literary Development

Turning now to the American scene, we can see in recent developments in the literary field how markedly the economic depression affected the outlooks and interests of our writers. American literature has always been a literature without a stable, unified tradition. Unlike European literatures, each of which has its own tradition, continuous through the centuries, American literature has never developed enough independence of vision, never achieved enough unity of outlook, to establish a tradition of its own. Imitative of English literature for centuries, it was impossible in those days for American literature to root itself in our cultural soil, or cultivate a tradition native to our environment. We absorbed the traditions of others instead of creating one of our own. As a result, discontinuity instead of continuity has dominated our literary history.

Although American literature has come of age in the twentieth century and begun to develop an individuality and independence which it lacked in the past, it has not yet attained enough stability to create an enduring pattern of its own. Our literary generations are still brief, episodic things, mercurial as the styles in women's clothes. Before what is called the *new* American literature (an adjective which has been applied with such prodigal frequency in recent decades) can be appreciated by the public it has become old, and a new *new* American literature has taken its place. What one generation reveres, the next generation scorns. A half a decade has almost always been enough in this country to make the most prized and precious literary ideas look anachronistic.

Within the last twenty years, three different literary generations have arisen. In the teens, we had the new American literature which found its main body of expression in the insurgent poetry of the day, the *free verse* movement. from which burgeoned forth such poets as Edwin Arlington Robinson, Robert Frost, Carl Sandburg, Amy Lowell, Edgar Lee Masters, John Gould Fletcher, and Hilda Doolittle. Within less than a decade all those writers had either forsaken their insurgency and adopted conventional verse as their literary pattern, or given up poetry altogether and turned to prose as their medium. In a word, within less than a decade they had become spiritually old.

The Twenties gave birth to another *new*

CLIFFORD ODETS

school of American literature, a school which fed itself upon gin and jazz, and believed that being hard-boiled was the first test of literary virtue. Henry L. Mencken was its critical prophet, and F. Scott Fitzgerald, Ben Hecht, Sinclair Lewis, and Ernest Hemingway were its creative voices. By the time the Thirties rolled around, with the depression jitters which ensued, that school was dead and had been superseded by another and a still newer school. Mr. Mencken by that time had become almost as much a part of the past as geologic rock; Ben Hecht had deserted literature for the cinema, F. Scott Fitzgerald and Ernest Hemingway, the two most gifted of the group, had started writing popular stuff for the less literary magazines, and Sinclair Lewis had begun to write less effective novels about less absurd people.

The still *newer* American literature born in the Thirties, which today is described as the *newest* American literature, has become known familiarly as proletarian. This new school views with scorn the schools which preceded it. Led by John Dos Passos, this newest school numbers among its followers, many of whom have been recent converts to its credo, such creative and critical writers as Waldo Frank, Elmer Rice, John Howard Lawson, Michael Gold, Charles Yale Harrison, Clifford Odets, Robert Cantwell, Fielding Burke, James Farrell, Albert Halper, Grace Lumpkin, Jack Conroy, Edwin Seaver, Edward Newhouse, Albert Maltz, George Sklar, Paul Peters, Ernest Sutherland Bates, Max Eastman, Edmund Wilson, Granville Hicks, and Malcolm Cowley. It is interesting to observe that most of these writers—with but a few exceptions—are young people, many of whom are still in their twenties.

Proletarian Parade

The proletarian school must be distinguished from the two previous schools in that its credo is optimistic instead of pessimistic. From the post Civil War days of Edward Eggleston down to the end of the Nineteen Twenties with Ernest Hemingway and Eugene O'Neill, American literature was increasingly gloom-ridden, morbid, and cynical. In but few places was a ray of hope to be discovered for *homo Americanus* or *homo sapiens*. The optimism of Walt Whitman, Ralph Waldo Emerson, and the early Mark Twain faded into a frayed recollection. This new proletarian school is the first school in generations to renew the optimistic note.

In the majority of the novels, poems, and dramas of the proletarian school, the strike has become the center of conflict. In both *The Shadow Before* and *The Land of Plenty*, the strike is the pivot about which the novel revolves. In Fielding Burke's two novels, *Call Home the Heart* and *A Stone Came Rolling*, both of which are superior to her two previous novels, the strike is again the central motivation. Of course, there have been novels about strikes before in American literature, but in most of such novels, with the exception of those of Jack London and Upton Sinclair, the strike has been incidental rather than fundamental to the theme. In the novels of this new proletarian school, however, the strike becomes a prophetic symbol. It is not the individual strike, in the eyes of these writers, which is so significant, but the concept of the strike as a prelude to a new order of society, a means of achieving a classless civilization in which strikes are superfluous.

In both of Fielding Burke's novels, we are brought face to face with strike situations which communicate that conviction. The heroine in both novels is an intelligent, sensitive woman, who is outraged at the treatment of the Southern workers by their employers, and who takes up the cudgels in defense of the workers and becomes their leader in the strikes they wage. Unlike many proletarian novel-

ists, Miss Burke does not depict the employers as villains with paunches, whose sole aim in life is to ground down the workers; instead she portrays them as human beings, no different from the workers, save that their economic interests conflict, as a result of which they are driven to extremities of action which they themselves regret but which they are powerless to avert. Both employers and workers are victims of the capitalist system, and only by getting rid of the system, Miss Burke makes implicit in both novels, can men live in harmony with each other.

Another aspect of this new literary movement, which is really a corollary of the previous aspect, is the different attitude taken toward workers and farmers. Instead of envisaging workers and farmers as inferior to lawyers, doctors, authors, and statesmen, the proletarian writers exalt them as higher than all other people, and see in them the seeds of a new and superior civilization. In such novels as Grace Lumpkin's *To Make My Bread* and *The Hand of Cain,* in Albert Halper's *The Foundry*, Jack Conroy's *Disinherited*, and Michael Gold's *Jews Without Money*, which is more of an autobiography than a novel, that attitude is challengingly conspicuous. The worker is viewed in all of them as the fugleman of a new social order. That was never the case in nineteenth century novels dealing with the proletariat; all one has to do is to turn to such novels as *Alton Locks* or *Emma Barton* to see how different the attitude was in those days. In such novels the worker was never idealized: he was treated with sympathy and kindness, but at the same time with condescension.

Even more striking than the proletarian novels have been the proletarian dramas which have been produced within the last five years. The most inspiring dramatist produced by the proletarian movement, who bids fair, according to New York critics, to become the successor to Eugene O'Neill as the leading American playwright, is Clifford Odets. In his two one-act plays: *Waiting for Lefty* and *Till The Day I Die*, and in his two three-act plays: *Awake and Sing* and *Paradise Lost,* he has established himself not only as the leading proletarian playwright but as one of the few original dramatists in this country today. Odets' dramas frequently do not deal with the proletariat but with the middle class, but their aim and purpose is a proletarian one in that they attempt to show how the middle class is

JOHN DOS PASSOS

being bankrupted and liquidated by the present economic system. Both *Awake and Sing* and *Paradise Lost* are dedicated to that purpose. Both are plays concerned with the decline and decay of middle-class life, with the promise of a new world—a socialist world—held out in the end as the only salvation.

Other proletarian dramatists of note who have written arresting plays are: Albert Maltz, whose best play is *Black Pit;* George Sklar, whose most striking drama is *Stevedore*, written in collaboration with Paul Peters; John Howard Lawson whose most recent play is *Marching Song;* John Wexley, who is best known for *They Shall Not Die*, a play built about the Scottsboro case; and Michael Blankfort, whose play *Battle Hymn*, written in collaboration with Michael Gold, is the best historical drama produced by the American proletarian movement to date.

While many of these proletarian novels and dramas are interesting and challenging, they are still far from finished or significant from a literary point of view. Clifford Odets and John Dos Passos are the only proletarian writers in the field of the drama and the

novel to create first-rate stuff. What most of the proletarian writers in this country suffer from is *proletarianitis*, a disease which evinces itself in the attempts of so many of these authors to write novels and dramas about the American proletariat in terms of what they have learned from Marx and Moscow, instead of in terms of what the American workers actually are today. The result is that instead of being literary realists they become proletarian Pollyannas.

Unless this present proletarian group learns to write about the American proletariat as it really is, which means ceasing to write about the United States as if it were Soviet Russia, the proletarian literary movement will be superseded by other literary movements which once more will declare themselves "the new American literature."

Southern Agrarian Group

The only other school of literature in this country today which is an open competitor of the proletarian school is the southern Agrarian school led by John Crowe Ransom, Donald Davidson, Allen Tate, Herbert Agar, John Chard Smith, and others. This school finds its literary center in *The American Review*, a magazine edited by Seward Collins, who has declared himself an uncompromising Fascist. Mr. Collins, once a literary Humanist, and quondam editor of *The Bookman*, is the only one of the group who has adopted the Fascist label. The rest of the group are reluctant to identify themselves with any specific political movement, although they believe in a very definite political orientation.

What the group stands for, as evinced in the two symposia published by it, and by Allen Tate's *Reactionary Essays*, and the numerous essays and books of Herbert Agar and John Crowe Ransom, is indisputably clear. It wants an America, or at least a South, freed of the yoke of industrialism, with big business superseded by small business in the realm of economic activity. In other words, it wants, as several of its leaders have made abundantly manifest, to turn back the clock of our economic life to pre-Civil War times. It believes that the only healthy way of life for man is the agrarian. It is opposed to collectivism, on the one hand, and to industrial capitalism, on the other.

This group, which proudly boasts of the fact that it is *reactionary*, has grown in influence rapidly since the publication of its fir symposium, *I'll Take My Stand*, which ap peared over half a decade ago. It does n have as many publications as the proletaria group nor as many writers. Almost all i writers are critics, essayists, or poets; it lamentably lacking in fiction writers of not Its writers also are mainly confined to th South, where the type of agrarianism propose still has a reminiscent pertinence to the co temporary scene. The fact, however, that New York editor, Seward Collins, identifie himself with their cause shows that the mov ment has expansionist possibilities beyond th agrarian confines of the South. Nevertheles it is doubtful whether such a reactionar agrarian philosophy will ever be able to mak much headway in urban centres.

In the meanwhile both groups, the pr letarian and the agrarian, are putting out the pseudopodia in an attempt to suck more an more writers into their maws. Month by mont more and more of the middle-of-the-road wri ers are being attracted in either the proletaria or agrarian direction. What both movemen have done is to polarize the attitudes and inte ests of the literary tribe. Donald Davidso one of the leaders of the agrarian grou declared that time had come when write could no longer feel sufficient in themselve they must "take a stand," he insisted, alo with other writers, on the crucial issues whi face American civilization today.

An additional proof of the truth of M Davidson's remark is to be discovered in th fact that the Social Credit movement, founde upon the monetary doctrines of Major C. H Douglas, with no interest in literature *per s* has, nevertheless, won the support and affili tion of a number of writers who, like the pr letarians and agrarians, are eager to "tak their stand." Gorham Munson, one of Ame ica's most interesting and intelligent litera critics, is the leader of the group and th editor of its one magazine, *New Democrac* which just recently has ceased publicatio Along with Munson, the Douglas moveme can boast among its members of two of Ame ica's most exciting and original poets, Ez Pound, who has lived abroad most of his lif and William Carlos Williams.

The Nineteen Thirties, then, have not onl brought us "a new American literature," b also a new type of creative writer—a polit calized writer whose interests are more ec nomic than aesthetic.

The Realm of Science

MORE fossils—more "missing links," to use a highly popular but equally unscientific term—is the great need of anthropology in its efforts to unravel the mystery of the origin of the human race.

This was pointed out a decade ago by Dr. Gerrit S. Miller Jr., curator of the Division of Mammals of the United States National Museum at Washington. Dr. Miller's point of view was reiterated by Dr. Earnest Hooton, the well-known anthropologist of Harvard University, speaking at the recent Symposium on Early Man, held by the Philadelphia Academy of Natural Sciences.

More than 300 scientists, mostly from America and Europe, but including a few from China, South Africa, and Australia, gathered in Philadelphia from March 17 to 20, for the symposium which marked the celebration of the 125th anniversary of the founding of the Academy.

When Dr. Miller stated his view of the situation, anthropologists were in possession of the remains of the *Pithecanthropus erectus* or Java man, the Piltdown man, the Heidelberg man, and numerous skeletons of Neanderthal man and Cro-Magnon man from the caves of Europe.

Outstanding discoveries of the last decade include the Pekin man and a number of Neanderthal skeletons from Palestine and from Java. These discoveries are of the utmost importance. There is now reason to believe that Pekin man or *Sinanthropus pekinesis*, is older than the Java man and so should perhaps more properly be called the Pekin Ape-Man. The Neanderthal finds in Palestine and Java attest the wide spread of the race and throw new light upon its characteristics.

Most biologists think that man first appeared upon the earth about a million years ago during the Miocene or early Pliocene period. It is easier to agree upon the geological period than upon the age because there is still considerable argument among geologists as to the proper time scale for the geological eras.

Pekin man was first unearthed in 1929 when a complete skull was found in a sandstone pit about 30 miles from Peiping, China. Additional skeletons were subsequently found. Rev. Dr. Teilhard de Chardin brought replicas of the latest skulls from this region to the Philadelphia meeting. These skulls, unearthed last year, were considered as the oldest known fossils of the human race by most of the experts gathered in Philadelphia. Their age was placed at 1,000,000 years.

Pithecanthropus erectus, or the Java man, was given an age of about 500,000 years in the opinion of the assembled experts. It is significant that disagreements have raged over Java man ever since its discovery at Trinil, Java, in 1891 by Dr. Eugene Dubois in a cliff-like declivity in the bank of the Bengawan River. The find consisted of a skull, some teeth, and a thigh-bone. Dr. Dubois regarded the remains as having belonged to one individual. Other authorities differed and in 1896 Dubois himself summarized the controversy, showing that there were seven authorities who regarded the skull as human, five who regarded it as simian or ape-like, and seven who regarded it as a transitional stage between man and the ape.

Today, there are some 15 points of difference between authorities upon the Java man. The argument still goes on as to whether the bones represent the remains of one or two creatures and as to whether Java man was man-like, ape-like, or a transition between the two, that is, "a missing link."

Some students, Dr. Hooton told his assembled colleagues, are inclined to view the Java man as "a paleontological monster fortuitously assembled from spare parts of men, apes, and microcephalic idiots."

Almost as much argument rages over Piltdown man, which comes next in the time scale with an age of about 300,000 years. Sometimes called *Eoanthropus* or the "Dawn Man," this find consists of a skull, jaw, and nasal bones, unearthed in a gravel pit by Charles Dawson at Piltdown, Sussex, England, in 1911 and 1912. Workmen who had been excavating

in the pit previously had evidently smashed the skull and perhaps destroyed much of it.

In 1911, nine fragments of the skull were found which fitted together into four pieces. The lower jawbone with two teeth in it were also found. The next year the nasal bones, another tooth, and a few more fragments of skull were found.

More than 75 experts have taken part in the battle over the exact nature of these finds since 1912. Dr. Miller says that there are 20 points upon which they differ.

Heidelberg man is known only from a jawbone with some teeth in it found near Heidelberg, Germany, about twenty years ago. Most authorities feel that this is not sufficient evidence upon which to say much about Heidelberg man.

Many attempts have been made to reconstruct the appearance of ancient man. Scientists are inclined to regard those of Prof. J. H. McGregor of Columbia University as the best. His reconstruction of Java man shows a primitive sort of man, half man and half ape, with low sloping forehead, thick prominent ridges over the eyes, flattened nose with wide nostrils, and weak, sloping chin. His reconstruction of Piltdown man shows a more definitely manlike head with slightly higher forehead, a less flattened nose, and a stronger chin.

The story of man's rise on earth is interlocked with the last great glacial age, the Pleistocene period. Pekin man and Java man lived before the Pleistocene, but our other relics of early man belong to it.

Geologists are inclined to divide the Pleistocene into four glacial epochs and three interglacial epochs when the weather grew warmer and the ice retreated. Recent Time, as the geologists call it, began about 25,000 years ago with the retreat of the last or fourth glaciation.

The Neanderthal Riddle

The rock layers of the interglacial epochs yield a number of chipped flints and other shaped stones which some archeologists insist were shaped by human hands for use as axes, scrapers, and the like. They have named them "coliths," or "dawn stones." Arguments still rage over these stones.

The third interglacial epoch yields thousands of stone utensils of undoubted human manufacture from southern England, Spain, France, and Germany.

Skeletal remains are common in the fourth glacial epoch and because the first one was found in the Neanderthal Valley of Germany, the name of Neanderthal man has been given to them. Neanderthal man was about five feet three inches tall. He had a low forehead, bony ridges over the eyes, a broad nose and a weak chin. He was the first of the cave men, as nearly as science can tell, living in the caves during the cold days of the fourth glacial epoch.

But at the end of the fourth glacial epoch—the start of Recent Time—Neanderthal man disappears from Europe and his place is taken by Cro-Magnon man, the first representative of *Homo sapiens* or True Man. He was tall and straight, averaging six feet in height with tall forehead and well-molded features.

An old theory was that Cro-Magnon man invaded Europe from Asia and killed off Neanderthal man. A newer theory, advanced by Dr. Ales Hrdlicka of the U. S. National Museum, is that the rigors of the last glacial period intensified the struggle for existence and that as a result Cro-Magnon man was evolved in Europe from older types such as the Neanderthal man.

The Philadelphia symposium emphasized new elements in the Neanderthal puzzle. First, it made it clear that the Neanderthal problem is no longer a strictly European one. Skeletal remains found on Mount Carmel in Palestine six years ago by the joint expedition of the American School of Prehistoric Research and the British School of Archeology in Jerusalem, are now recognized either as Neanderthal and Cro-Magnon men or the ancestors of these types as found in Europe.

But whereas Cro-Magnon man succeeds Neanderthal man in Europe, the two are found together in Palestine, associated with yet a third type. The one type, as described by Dr. Theodore D. McCown at the Philadelphia symposium, had the small stature and typical skull of the Neanderthal man as found in Europe. The second was a slightly taller individual. The third was a well-formed six-footer, evidently a close relative of the Cro-Magnon man of Europe.

Eleven casts of skulls of Neanderthal men, women, and children, were brought to the Philadelphia meeting from Java by Dr. G. H. R. von Koenigswald. The original skulls were found in Central Java on the banks of the River Solo. Dr. von Koenigswald is positive that they belonged to the Neanderthal

race. It appears, therefore, that Neanderthal man was widespread and not confined to Europe as had been previously believed for many years.

Early Man in America

Dr. Hrdlicka some years ago advanced the theory that man made his way into America by way of the Aleutian Islands and Alaska from Asia. His researches on both sides of Bering Strait have made him certain that both the Indian and the Eskimo crossed over by way of the Bering Strait, the Bering Sea and Bristol Bay.

In this region, America and Asia are separated by less than 50 miles of water and the journey is split into sections by the Diomede Islands. He found that until a few centuries ago, the journey was frequently made from Asia to America by this route. In Siberia, he found natives who resembled famous Indians of the "Wild West" era sufficiently to pass for their doubles. Man, according to Dr. Hrdlicka, has been in the new world not over 15,000 years.

The battle for a longer tenure of the new world is based upon the finding of the so-called Folsom points, flint arrow heads and spear heads which have been unearthed in various parts of the west. Some authorities insist that these have been found in geological deposits which must be more than 15,000 years old.

Prof. A. E. Jenks of the University of Minnesota brought to the Philadelphia conference a skull which had been dug up in Minnesota a few years ago during road-building operations. He estimates its age at 20,000 years.

A number of speakers suggested that Alaska and Asia were once connected to each other by a land bridge.

Treasures of Armageddon

While anthropologists seek to discover the origin of the human race, archeologists are busy unearthing his early history. Foremost among archeological organizations is the Oriental Institute of the University of Chicago which maintains many expeditions at work in the "fertile crescent," the region which extends from the Nile in Egypt, across Palestine, to Assyria, Babylonia, and the Persian Gulf.

One of these expeditions, known as the Megiddo expedition is busy at the site of Megiddo or Armageddon. Megiddo is the older Hebrew word for Armageddon.

Megiddo is situated at the pass through the ridge of mountains across Palestine. Armies moving from Africa to Asia or vice versa had to use this pass. Hence Megiddo became the key fortress guarding the highway between Asia and Africa.

Excavations have revealed a series of cities or fortresses at Megiddo beginning with a cave-man settlement. Each succeeding city was built upon the debris of its predecessor.

The discovery of a magnificent hoard of Egyptian gold has just been announced by the leader of the expedition, Gordon Loud. It was found in a palace which he has uncovered and which he dates at about 1400 B.C. This palace, he thinks, was the residential palace of the prince of Megiddo at that period.

The treasures, however, are several centuries older and may have been handed down from generation to generation, he thinks. They include Egyptian cosmetic jars, jewelry, and a beautiful bowl in the shape of a seashell.

Knew Her Onions

Grandmother, it now appears, knew her onions. You will recall that she used to advise that you eat onions to cure that cold. Recent discoveries from the University of Southern California, indicate that the chemical properties of onions which bring tears to your eyes, may also be useful in battling disease. The same thing applies to garlic.

The experiments were carried out by Dr. Richard F. Vollrath, professor of physics, and Dr. Carl C. Lindgren, chairman of the bacteriological department. They were led to try them by the fact that onions do not spoil easily, indicating the presence of some substance resistant to bacterial attack.

They found that the germicidal agent in onions is allyl aldehyde while that in garlic is crotonic aldehyde. The effect of these agents is now being tried out on guinea pigs. It is hoped that the substances may have some value in fighting tuberculosis, pneumonia, diphtheria, and leprosy. It had been known for some time that the vapors of the onion affect the bacilli of tuberculosis and leprosy.

DAVID DIETZ

Highlights of the Law

PRIOR to 1765 Englishmen looked upon the law of their country as an inscrutable mystery, a black and frequently malevolent art. And indeed it had become necromantic in method and content. Except for men of wide public experience, it was entirely comprehensible only to old sergeants of the law, who acquired a knowledge of it by steeping themselves in its lore, by searching out its interminable reaches in scarce and rare law books, records, rolls, and manuscripts written in "law Latin" or corruptions of Norman-French jargon unintelligible to the common man, and by practicing at the bar for a lifetime.

At that time, the law was a disordered agglomeration of traditions, statutes, local customs, feudal vestiges, judicial interpretations, miscellaneous principles derived from the civil, canon, and other non-indigenous systems, and gradually emerging precepts of an unwritten Constitution. In that year Sir William Blackstone began publishing, in four books, his Oxford course of lectures under the title *Commentaries on the laws of England*. Its acceptance was immediate, for it served admirably to accomplish its purpose, which was to place at the disposal of "gentlemen of fortune, the nobility, and persons in the liberal professions" a concise, comprehensive, articulated, and systematic exposition of the weltering congeries of precedent and medieval logic, so little understood but so stoutly championed by patriotic lords and gentry, called The Common Law.

The American Colonists were then at the very climax of their struggle with the pressing problem of their true relationship to the motherland. Waxing rich, powerful, and independent, and convinced of their own common interests and destiny, they were no longer content to be pawns of a Colonial Office. In these distant settlements nothing was now more urgent than a knowledge of the roots of the law in the homeland from which a divergence of life and customs had been growing for generation after generation. Except for a few fortunate Colonial youths who were educated in England, wholehearted communion with the spirit of the English law was almost impossible in America for lack of a handy guide to its maze of scutage, socage, vicinage, estovers (or botes), gavilkind, corodies, rent-seck, frankalmoign, and other specialties seldom encountered on the edge of the forest primeval. Thus it occurred that hundreds of volumes of Blackstone were sold in America and the first copies of an American edition were just off the press when the resounding shot was fired over the rude Concord bridge. Under these circumstances it is not strange that Blackstone should have had so weighty an influence upon our formative years, especially when it is remembered that the *Commentaries* treat also with didactical clarity the subjects of public law and government, including King, Magistrates, Parliament and the revenue. We can hear our Revolutionary melodies in the classic themes of the old master:

> And, because several of the colonies had claimed a sole exclusive right of imposing taxes upon themselves, the statute 6 Geo. III, c. 12 expressly declares, that all his majesty's colonies and plantations in America have been, *are, and of right ought to be, subordinate to and dependent* upon the imperial crown and parliament of Great Britain; who have full power and authority to make laws and statutes of sufficient validity to bind the colonies and *people* of America, subjects of the crown of Great Britain, in all cases whatsoever.

We the people, in adapting these themes, introduced, it is true, a few variations of our own, but it was, in large measure, Blackstone that taught the Yankee tongue to tang arguments of state.

The beauty that makes the *Commentaries* still the joy of casual students of the law is the simplicity and economy of presentation of so vast a panorama. In this quality they are not surpassed by the *Commentaries* of the swordsman Caesar, who trained his pen to conquer immortality by dividing Gaul into three readily cognizable parts. Blackstone divides the common law into four books, viz: The Rights

of Persons; The Rights of Things; Private Wrongs; Public Wrongs.

"*Human Rights*"

The first book, on The Rights of Persons, is of lively interest. A large part of it is still quite up to date, particularly that part which deals with what some writers today are terming "human rights," for Blackstone divides persons into "natural persons" and "bodies politic, or corporations." The relative importance ascribed by Blackstone to these two classes of persons is indicated by the seventeen chapters devoted to the first as against one chapter deemed sufficient to cover the second. The rights of *natural* persons, according to this book, are (1) Absolute, viz. the enjoyment of personal security, personal liberty, and private property (an institutional trinity which we have turned first into "life, liberty and the pursuit of happiness" and later into "life, liberty or property") and (2) Relative, which are either public, as magistrates in relation to people, or private, as master in relation to servant. In recent generations new forms of relative rights never dreamed of by Blackstone have arisen and are still developing from the civil collisions between magistrates and "bodies politic," or between people and "corporations."

Whether one is disposed or not to give it credence, the fact is that the rights of natural persons still occupy the lion's share of the cage we call our world. Avoiding as beyond the scope of these few paragraphs, problems relating to mass movements of natural persons, such as sit-down strikes, trailer towns, radio amateur hours, bank nights, and sand lot baseball, let us glance at a few oddities in connection with the individual identification and civil status of natural persons. (It is said that in Elizabethan England a "natural" was a person suffering from a mild form of idiocy, but our language, no less than our law, can show a clear pair of heels to any butterfly cocoon in the matter of creative metamorphosis.)

In some foreign countries individuals are all required to register with the police and to carry about with them at all times the registration card. Such "regimentation" has always been considered by free born Americans as an intolerable indignity. A man is not a motor car. Besides, observe the nuisance, and sometimes the downright embarrassment, which occurs when the familiar voice of authority says "Let's see your license."

Social Security

Yet, since last December 1, nearly twenty-six million American workmen have registered and received serial numbers and identification cards from the Federal Social Security Board. Whatever the individual registrant's former convictions may have been respecting the indignity of being known primarily as a walking serial number, he is now obliged to submit as gracefully as possible, for it will dog him from place to place, from job to job, from pillar to post, from T-beam to pile driver, until, like an old welder's glove, it will at last bring him comfort and security.

"A worker in the course of his active life," says the Board, "may be employed in many States, and obtain his livelihood from a variety of pursuits, but his social security account number will be the same wherever he goes. He may even change his name, or simplify the spelling of it, but he cannot change his account number except with the permission of the Social Security Board, and the change must be noted on his master name record." Not since the scholar complained that the book reviews had buried his masterly dissertation in a footnote, has American individuality had its ruggedness so deeply submerged.

Four million world war veterans grew accustomed to the anonymity of the serial number, to which was added the certainty of finger-printing. Since the War an amazing extension of the use of finger-printing has resulted in the development of the world's largest reservoir of fingerprints in Washington, in the galleries of the Federal Bureau of Identification in the Department of Justice. The criminal section has now over six and a half million prints, and they are pouring in at the rate of 4200 a day. This does not mean that our criminal population is growing at such a startling rate, but merely that 10,000 police authority contributors are ever more assiduous in taking prints of suspects, minor malefactors, repeaters and others in a constantly widening circle. In addition, cards are exchanged with the police of 69 foreign countries.

The enthusiasm for the system is doubtless due to the circumstance that the Bureau has never found any two fingerprints alike, and that today on an average 56 per cent of the fingerprints of criminals sent in for identification are identified. This all goes to make the way of the transgressor no bed of roses, and it is not surprising that brilliant legal talent has been sometimes misled into searching in the

Constitution and the common law for authority to discountenance this invasion of the citizen's liberty and mayhap his very life, not to mention the private property he may have acquired in ways shocking to current standards of morality.

The criminal file is of course the largest and by reason of its mild suggestion of morbidity, creates most interest, but side by side with it is the voluntary civil file, containing 187,000 prints and growing at the rate of 800 a day. This constitutes a form of insurance for the individual (any man, woman or child can have prints filed on application to the local police) and sensational cases of identification of unrecognizable remains of catastrophe victims have occurred, as in the Morro Castle fire and the hurricane in the Florida Keys; and scores of amnesia sufferers have been located through the civil files. Separate files are maintained by the Civil Service Commission, the Army, the Navy, and other agencies of the Government.

Are Magistrates People?

Blackstone says that natural persons are either magistrates or people. The distinction may be intriguing if all civil servants are classified as magistrates, for at the current term the Supreme Court has decided that employees of municipalities are not subject to the Federal income tax. The ingenuous layman is sometimes confused when he remembers that the constitutional amendment says simply that the "Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration." and that the court first exempted Federal Judges and now exempts employees of local governments, all because someone whose words are more quoted than Hamlet said "the power to tax is the power to destroy."

But even if one is not a magistrate, it is still important to worry about his status as one of the people, whom our much cited Blackstone separates into aliens, denizens and natives. To him "natives" did not connote batik frocks, hibiscus blossoms, and palm fronds in the tinkling moonlight. Natives were, instead, sturdy British yeomen and gentlemen, natural born subjects of the King, inheritors of the tight little isle. Denizens were inhabitants naturalized by the patent of king or parliament.

Since the Edict of Caracalla, which made Roman citizens of all the inhabitants of the Roman Empire in its day of widest territorial expansion, no phenomenon has been so striking as the increase of American citizenship through naturalization in the last century. Many millions of individuals have emulated Saint Paul in claiming citizenship in the country which offers most to its citizens. The disabilities of naturalized citizens are few (one can become a Senator or a Justice of the Supreme Court, but not President) but those which do exist are enough to cause many a stirring fight to preserve "natural born" rights. Not long ago the grandson of a great American statesman, born abroad of an alien father, wanted to undergo the experience of a "hitch" in the C.C.C. When he was rejected as an alien he took his case to court, and the decision in his favor has become a classic, along with that pronounced last December in the case of a wealthy sportsman, similarly situated, whose political ambitions were clouded with questions about his title to citizenship.

When the tiny island community of Guam sent a commission to Washington last month to petition for recognition as American citizens, it proved how highly this privilege is to be prized. And it was eloquently set forth by Dr. Ernest Gruening, who, testifying before a subcommittee of the House on the pending Jones-Costigan sugar control bill, said:

> Our protest is embodied in the fact, as I say, the bill perpetuates a new geography. It creates two kinds of territory for America. It creates a continental and an offshore America. We cannot recognize such a division. We think there is no warrant or justification for it whatever. We think it is just as unwarranted to make this division as to make a similar division on any physical or historical feature such as the Mississipi River, for instance, and to say that Americans living west of that river are entitled to some kind of consideration and Americans east of it to another kind, or the continental divide, or the Mason and Dixon Line. We only know one kind of America, and that includes the land where the flag flies, and where American citizens reside.

Guerra Everett

On the Religious Horizon

"CHURCH and State" relations on many fronts have occupied the center of recent interest. Germany has seen frenzied activities in three separate stages: Nazi-Semite, Nazi-Protestant, and Nazi-Catholic. India's panorama has as an important factor the part which the priestly class will play in the proposed new form of government. The Child-Labor Amendment discussions in New York State brought into play Church forces, both pro and con. The Church and State issue in Mexico was brought to the forc by the Papal Encyclical of March 28. Religious considerations were involved in the gesture of Premier Mussolini in Libya, declaring himself to be "Defender of the (Moslem) Faith." Anglican pulpit denunciations of the recent Ethiopian executions brought about tension between Britain and Italy.

In 1933 a Concordat was entered into between Nazi Germany and The Holy See of Peter. This pact recognized the right of Catholics, in ecclesiastical affairs, to unhampered organization, to contacts with the Papacy at Rome, to schools and to other activities; it banned Church participation in politics. Much that was considered guaranteed has gradually been lost in practice. Publishing enterprises, youth organizations, labor and social groups, and most vital of all, schools have been steadily disintegrating under government pressure.

Assailing an "idolatrous cult" which sought to supplant the "true faith," Pope Pius issued an encyclical which was read at Palm Sunday services in Berlin, after being flown secretly to the Reich. The Pope charged that parochial schools had been unfairly persecuted and parental authority invaded. Expressing a desire for "true peace" on the part of the Church, he said that "if peace is not to be, the Church of God will defend its rights and liberties."

In interpreting the encyclical and the cause for its issuance at the particular moment of Holy Week, 1937, it is to be noted that universal Christian, rather than strictly Catholic terms are employed. In taking up the defense of "the natural right of man" the Papacy aligns itself with all those who are opposed to the totalitarian state. Thus Roman Catholics, Protestants, and to a large degree, Jews, are united in Germany in a movement for religious freedom. It would seem that the Papacy chose this opportune moment for its move, because the time was ripe for this united action—united in the sense that it is simultaneous, and directed toward the same end.

Challenged by the totalitarian state's demands for social, economic, intellectual, moral, and spiritual supremacy, Catholics are feeling an increasing sympathy for stubbornly liberty-loving Protestants, such as Pastor Martin Niemoeller. A multitude of references in Catholic pastoral letters (issued since the arrest nearly three years ago of 600 pastors at the Dahlem Synod) and in the encyclical itself, repeat almost word for word passages from Protestant declarations. A system of liaison officers has been evolved between the Catholic hierarchy and the Protestant synods for the exchange of information. Reich Church Minister Hanns Kerrl, two days before Chancellor Hitler decreed the Protestant Church elections, expressed the problem which is facing both Catholics and Protestants. Indicating that his remarks applied to both Churches, Mr. Kerrl declared:

"Both President Zoellner [Protestant] and Bishop Count Galen of Muenster [Catholic] tried to tell me that Christianity means the faith to teach that Christ is the son of God. That made me laugh. . . . National Socialism consists of doing the will of God. The will of God is revealed in German blood. This will of God is the nation. It is the business of the Church to support the State so that this will of God may be fulfilled. True, Christianity is represented by the National Socialist party and the German people are summoned to true Christianity by the party and more especially by the Fuehrer."

In dealing with such an attitude Catholicism and Protestantism have been forced to unite their efforts. There can be no doubt that Protestant leaders welcomed the Papal ency-

clical. For German Protestantism is on the verge of being exterminated, or at least greatly curtailed. Already suffering from the same "curse" of "nominalism," it is about to be deprived of those who are only "nominal" Christians. This would undoubtedly serve only to strengthen the Church in Germany, for then it would know upon whom it could depend.

Bishop Sturm declared: "The purpose of the coming election can only be to create a clear division between the members of the Protestant Church and the members of the new religious organization, independent financially and legally. The issue is to vote either for a Church based on the preaching of the Gospel or for a new religious association founded on different principles."

Nazi anti-Semitism made a bid for the support of the radical National Socialist movement in the Protestant Church in a special number of Julius Streicher's *Stuermer*, intended to demonstrate that the essence of Christianity is anti-Semitism. Intended to mobilize anti-Semitic sentiment for the coming elections, the article declared: "Christ not only was no Jew. He was an anti-Semite. . . . That Jesus Christ created movement against Jewish tyrants and exploiters is particularly apparent in St. John's Gospel. . . . He did not want to combat the Romans; he wanted to see them awakened and led against the Jews, their criminal faith in a Messiah and their plans for a world revolution."

All of which leads this observer to reaffirm the analysis made in November *Current History*, page 31: "The conflict is not between Germany and the Jews, but between the forces of organized religion and the neo-paganism of a godless super-state."

Lest we underestimate the importance of this "neo-paganism," which is expressing itself at the moment under the name of "German Christianity," it might be of help to hear a word from Professor Karl Barth, German theologian who was dismissed from his office as Professor of Evangelical Theology at the University of Bonn because of his opposition to the Nazi regime. Speaking before the World's Evangelical Alliance in London, on March 22, Professor Barth said in part:

"I wish the great struggle of the Church in Germany was understood more in the Churches of the world. It is not merely a question of freedom in the Church but the fight of the Church against a new religion—not a philosophy or idea merely written about in books and periodicals, but a religion represented by the State and by persons like Hitler and his friends. It is a new religion which is also a new power in the world. Never since Mohammed has Christianity been so threatened as it is in Germany."

The elections will be held some time before the first of June, according to latest dispatches from Nazi officials. Meanwhile, numbers of Confessional pastors and their congregations are withdrawing from the Confessional Synods. It may be that the Hitler Elite Guard leaders are waiting until a definite breach has been made in the ranks of the Confessional Synod over passive resistance, before calling the elections. They are understood to hold that the Church, divorced from the State, will soon "sink in lethargy and that eventually the foreign Christian religion will die of itself and be replaced by a new heroic ideology." What Hitler himself wants no one knows outside his most intimate circle.

Mexico and the Church

Press censorship, which was imposed in Mexico during the closing days of February has permitted little religious news to leak out of the country. On March 14, President Lázaro Cárdenas in his first statement on the Church-State question in over a year declared that Mexican Catholics have "complete liberty to go to Church;" that "the government is not hostile to the Church." He added that Church and State relations are better than for a long time because the "priests have recognized the uselessness of mixing in politics."

The Church State situation in Mexico is more comprehensible when one remembers that the separate states (sovereign within themselves) have laws of their own regulating the Churches. Only in extreme cases, such as the recent disturbances in the State of Veracruz over the Orizaba killings, does the President intervene. The opening of Churches in Mexico, D. F., and in other parts of the country were in accordance with the openly expressed attitude of President Cárdenas, who has said that the Mexican Church question must be relegated to the background, and that the only sure method of doing this is to permit the opening of the Churches. At the same time the President is reported to be opposed to relaxing the restrictions taken to prevent the Church from exercising influence in Mexican political life.

Undoubtedly the Vatican had this presidential attitude in mind when it issued the Easter

Encyclical on the "Practice of Christian Life." Remarkably free from strong condemnation of the Mexican Government, the encyclical dwells particularly on the necessity of creating a body of clergy and lay workers whose lives and actions will be a daily example of all the Christian virtues. The Pope declared that reconstruction work must be based on the solid development of each individual so that he may set himself to share in the heavy labor of leading the Mexican people back to Catholicism. As the most effective means of restoring the Christian life in Mexico, the Pope points to two things: the sanctity of the clergy, and the collaboration of the laity in the apostolic work of the hierarchy.

The encyclical has hardly hurt the cause of the Church in Governmental eyes, and most assuredly has strengthened and encouraged the Mexican Catholics. They are advised to do everything possible to restore an integral Christian education and formation. Violent changes would cause harm instead of good. If all strive together to live according to the dictates of their Christian faith, even at the cost of sacrifice on the part of individuals, the public welfare will also be promoted.

Fascist "Atrocities"

The Archbishop of Canterbury recently described as "atrocities" the Fascist reprisals in Addis Ababa for the attempted assassination of Viceroy Graziani. The Rev. Edward Gordon Selwyn, Dean of Winchester, compared Mussolini to "the Assyrian Emperor Antiochus, surnamed 'the Brilliant' and nicknamed 'the Madman.' " Recriminations in the press of both countries ensued, followed by diplomatic "representations."

Almost simultaneously, Premier Mussolini, during his visit to the Italian colony of Libya, proclaimed himself as "defender of the Moslem faith," and was presented with the "sword of Islam." British and other newspapers throughout the world seem to have made a mountain out of this molehill. Sheikh Mustapha el Maraghi, rector of Al Azhar (Moslem theological university in Cairo, Egypt) and recognized ecclesiastical head of the Moslems throughout the world, said:

"Only a Moslem who believes in the religion of Mohammed and lives up to the laws of the Koran can be the defender or protector of Islam. No other person, no matter of what race or religion or nationality can be our defender."

Moslems are required by their religion to oppose any rule over them by "infidels." A Moslem Church dignitary recently said: "God may forgive a Moslem for not praying, but God never forgives a Moslem if he does not rescue his brethren from infidel domination."

Libya has a Mohammedan population of about 600,000. It is hardly to be supposed that the almost 300,000,000 Moslems in the world would be affected by this comparatively small number in Libya, even assuming that all of them (in Libya) proclaimed Mussolini as "defender of the faith." Hatred of "infidel domination" is too integral a part of Islamic faith and practice.

In the midst of this Church-State turmoil, the last week of March and the first days of April saw approximately one third of the world's population observing religious festivals (and fasts). Easter and Passover coincided this year. This observance of the renewal of life, of the assurance of God's love and protection, as well as the commemoration of two great events of the past, is closely connected with the old pagan worship of the return of Spring. Nature, with her recurring seasons and the annual "resurrection" of the sun provided the "moment in Time" when God chose to reveal this "care for His creatures."

As one reads of the "Ceremony of the Sacred Fire" (observed every year on the eve of Easter, in Jerusalem and in many other parts of the world by devout Catholics) one is reminded of ancient Greek and Roman customs, when the Vestal Virgins in Rome, following the example of the keepers of the Temple of Hestia in Greece, kindled "new fire" at the return of Spring.

Dark since Good Friday in sign of mourning, the vast old Church of the Holy Sepulchre just after sunrise on Holy Saturday was suddenly flooded with the glow of hundreds of lamps and candles lighted from "new fire" struck with flint and steel. As each new light appeared, the worshipers responded: "Thanks be to God." Hundreds of the faithful, having obtained a lighted taper, rushed home to relight the family fires and candles. Thus are the homes bound in a peculiar way to the Church.

How similar to the old custom of having "sacred fire" from the Temple of Vesta sent out to each new colony of the Roman Empire, so that a visible tie existed, binding the colony to the "source of its light."

REV. WILLIAM B. SHARP

A DIGEST OF COMMENT QUOTED OR TRANSLATED FROM THE ORIGINAL

THEY SAY

SOMETIMES IMPORTANT ★ OFTEN AMUSING ★ ALWAYS AUTHENTIC

HEMINGWAY IN SPAIN

MADRID—It was bright and clear in the red hills north of Guadalajara as we stood on the rocky edge of a plateau, where a white road slanted down into a steep valley, and watched the Fascist troops on a tableland that rose sheer across the narrow valley.

"There comes one up that trail," said a Spanish officer beside me. "They have a machine-gun nest there. Look, there are three more. Look over there, five more."

I sat down with a pair of field glasses and counted more than 150 soldiers moving about on the plateau and trails along its clifflike face.

"They have no artillery there," the officer assured me, "and it is too far across to use machine guns on us."

The Fascist soldiers, wearing regular Spanish Army uniforms with flapping blanket capes, plodded unhurriedly about the business of fortifying their position along the steep bluff. Below us in the valley were the brown huddled houses of the towns of Utande and Mudeux. To the left lay Hita, like a cubist picture against the steep cone-shaped hill.

The white road below us led around and behind the opposite plateau. After the Brihuega battle an advance along it beyond Utande would have forced a Fascist withdrawal to at least Jadraque. But the retreating Fascists destroyed this road, so the government forces decided to stand on their present excellent positions rather than advance farther along the main Aragon road and extend their dangerous left flank.

It was the first warm Spring day and the troops lay about with their shirts off, sun-bathing and seam-picking. With a brigade commander who had fought at Brihuega, your correspondent went as far as a kilometer along the main Aragon road.

While the left plateau is held by Spanish Rebel troops, the line across the main Aragon road is reported held by Italians of a division that was held in reserve and not used in the Brihuega battle. Except for counter-battery fire, with the Loyalists using captured Italian guns and shells, the front was absolutely quiet, with every prospect of remaining so until the Italian troops have had time to be reorganized.

This correspondent doubts that even then will they attempt another attack in the Brihuega sector, as the strength of the government positions is now fully appreciated and the possibilities of defense were brought out in battle, while signs of the Italians' bloodiest defeat in the first battle in this war fought on a World War scale of organization still cover a ten-kilometer-wide battlefield.

It is impossible to overemphasize the importance of this battle, where native Spanish battalions, composed mainly of boys untrained last November, not only fought stubbornly in defense with other and better trained troops, but attacked in a complicatedly planned and perfectly organized military operation only comparable to the finest in the Great War.

United Feature Syndicate, Inc.

NOW HE KNOWS HOW THE BULL FEELS

This correspondent has been studying the battle for four days, going over the ground with the commanders who directed it and the officers who fought in it, checking the positions and following the tank trails, and he states flatly that Brihuega will take its place in military history with the other decisive battles of the world.

There is nothing so terrible and sinister as the track of a tank in action. The track of a tropical hurricane leaves a capricious swath of complete destruction, but the two parallel grooves the tank leaves in the red mud lead to scenes of planned death worse than any hurricane leaves.

The scrub oak woods northwest of the palace of Ibarra, close to an angle in the Brihuega and Utande road, are still full of Italian dead that burial squads have not yet reached. Tank tracks lead to where they died, not as cowards but defending skillfully constructed machine-gun and automatic-rifle positions, where the tanks found them and where they still lie.

The untilled fields and oak forest are rocky, and the Italians were forced to build rocky parapets rather than attempt to dig the soil where a spade would not cut, and the horrible effect of shells—from the guns of the sixty tanks that fought with the infantry in the Brihuega battle—bursting in and against these rock piles made a nightmare of corpses. The small Italian tanks, armed only with machine guns, were as helpless against the medium-sized government tanks, armed with cannon and machine guns, as Coast Guard cutters would be against armored cruisers.

Reports that Brihuega was simply an air victory, with columns stampeded and panicked without fighting, are corrected when the battlefield is studied. It was a bitterly fought seven-day battle, much of the time rain and snow making auto transport impossible.

In the final assault, under which the Italians broke and ran, the day was just practical for flying, and 120 planes, sixty tanks and about 10,000 government infantrymen routed three Italian divisions of 5,000 men each. It was the coordination of those planes, tanks and infantry that brings this war into a new phase. You may not like it and wish to believe it is propaganda, but I have seen the battlefield, the booty, the prisoners and the dead.

—Ernest Hemingway—*New York Times.*

Glasgow Record

Love me, love my dog. Germany and Italy, it is said, insist on repudiation of the Franco-Soviet pact as a prelude to negotiation on a new Western European pact.

FRANCO'S FOREIGNERS

Several Japanese officers are now taking part in the Spanish civil war on the side of the rebels. In the recent fighting around Madrid several officers of high rank (including two generals) commanding non-Spanish units were captured by the Loyalists. This would seem to show that the Loyalist counter-offensive took the rebels by surprise. In any case, the rebels were confident of victory, for during the past week General Queipo de Llano, the famous broadcaster, repeatedly declared, "We shall be in Madrid on the 15th." It would seem that the rebels greatly underrated the defensive strength of the Loyalist positions, which include an elaborate trench system constructed with the help of Russian engineers.

It would also seem that the now notorious incompetence of General Franco is being reinforced by lack of enthusiasm on the part of his foreign auxiliaries. Many of the Italian "volunteers" believed that they were being sent to Africa, and there has been some murmuring even amongst their officers.

Amongst the Germans on the rebel side, too, there seems to be no great eagerness to fight. The German military authorities are finding it difficult to get genuine volunteers. In January and February commanding officers of Reichswehr units stationed at Weimar, Chemnitz, and Plauen tried to increase the flow of "volunteers" by threats and promises. Propagandist lectures ("Aufklärungsvorträge") preceded the "voluntary parades" of men willing to go to Spain, and when only a few paraded some of the officers showed their annoyance, declaring that the men who would not respond were "cowards" and unworthy of "the German soldier's honourable uniform."

At Plauen successive appeals for volunteers failed altogether, and the men had to do punishment drill as a special inducement. But even this failed. In talking to civilians, several men declared that they were not going to "bite the grass" ("ins Gras beissen") at Madrid of their own free will, but far preferred to be called "cowards."

The truth—and perhaps even more than the truth—about Spain is beginning to spread in Germany, despite the efforts of the German press and

wireless to conceal it. At a certain small town in the Vogtland, the parents of a Reichswehrman were officially informed that their son had been killed during manœuvres. The sealed coffin with the body arrived many days afterwards. It was assumed throughout the whole district—perhaps wrongly—that he had fallen in Spain.

When parents hear (as they often have done since the beginning of the Spanish civil war) that their son has "died in hospital" and are unable to elicit the name of the hospital or see the body, or if they hear he has been "accidentally killed" and they cannot discover where, the conviction spreads—and it is, no doubt, a right conviction more often than not—that another German "volunteer" has fallen in the Spanish civil war.

It is not surprising, therefore, that the number of "volunteers" has dropped.

—*Manchester Guardian.*

HITLER'S OPINION OF IL DUCE

We are *under no illusions* whatever regarding Mussolini. We are not so foolish as ever to forget the double treachery of Italy during the world war, nor the part played in it by Mussolini himself. We know for instance that the British Foreign Office, War Office and Admiralty, all were thrown into foolish panic during the Abyssinian war by the supposed Italian air menace to the British fleet. Frightened by an aerial circus.

They scuttled, showed the white feather. But now they understand that they were wrong.

And that is the key to the situation. For we all know, and Mussolini knows, that not in ten years nor fifteen nor twenty, will the English forget or forgive their humiliation at the hands of the Italians. There comes the British rearmament programme: the British coronation invitation to Abyssinia: and this latest bombing in Addis.

Mussolini feels cold chills in his stomach when he sees these things. That is why even before the bombing in Addis he was willing to knuckle down to us on the Hapsburg issue. That is why we do not have to trust the good faith of Mussolini in order to be sure of his support for the time being. These are the realities of the situation.

The Week—London.

Cardiff News, South Wales

TOUGH GATES TO CRASH!

ITALY INVADES SPAIN

For the past three weeks it has been persistently reported that the British, in the so-called Gentlemen's Agreement, gave a free hand to the Italians to go ahead in Spain. The Quai d'Orsay four weeks ago was privately but quite definitely stating this to be the case. We supposed at the time that this was a mere deduction from the facts of what happened later.

When 15,000 Italians marched into Malaga that did not to the British appear to infringe the spirit of the "gentlemen's agreement." And it did not in fact infringe the spirit in which that agreement was made.

Since then however the situation has become a great deal more dubious. Until a very few days ago, the Foreign Office stuck gallantly to the assertion that 60,000 was the total of Italian troops. Gingerly they then raised the total to 100,000. (The real figure is just over 200,000. We know this to be so from absolutely certain sources. We are also aware that the Spanish Government, basing its theories on the statements of officers who do not know of the presence of more than 120,000, is also skeptical of the 200,000 figure.)

An Italian Army is invading Spain on such a scale that although it is very unlikely that it will be successful in defeating the continually growing and developing Government Army, it is equally unlikely that it will be possible quickly to dislodge it from the Peninsula.

In pursuance of the main line of Italian policy the Italians are now approaching the moment when they will seek to extend the area of dispute —and hence it is hoped of Italian control—to Tangier.

—*The Week*, London.

NEW MIGRATION

Since the end of the war, 1,500,000 Russians have fled from Soviet Russia, 1,500,000 Greeks from Anatolia and the Turkish provinces, 350,000 Armenians from Asia Minor, 120,000 Bulgarians from Greece, 25,000 Assyrians from Iraq, 115,000 Germans from Germany and 8,000 more from the Saar. These figures add up to about four million. Unquestionably that is less than the actual num-

ber, for some groups of refugees are omitted altogether: for instance, the Hungarians who fled before the red terror and the Hungarians who fled before the white terror, the Italians who fled before Mussolini, the Spaniards who fled before Primo de Rivera and the Spaniards who fled before the Republic. Furthermore, statistics about the new migration are bound to be incomplete. The countries of origin understate the number of their refugees, out of regard for the sensibilities of a humanitarian world; and the countries that receive them do not bother to keep exact statistics as to their number and economic status.

—*Foreign Affairs.*

MODERN BLACKMAIL

Fortunately, during the last six months, nations which might have been selected as the prey are joining together to meet the mortal peril of German militarism. It would be foolish to maintain that the defenses of those nations are not seriously defective. But they are being strengthened. Germany might perhaps conquer—she could certainly inflict fearful injuries on—any one nation. But she has no hope of conquering a combination of nations in which England, France and other Powers play a part.

There is good reason to believe that this unpalatable truth has sunk into the minds of the German generals. They have realized the folly, not to say danger, of their Government's blustering foreign policy. The Army is now, as it ever has been, the real trustee of the German nation. The generals will not permit a war in which Germany is almost certain to lose. Can they restrain the Nazi leaders from a smash-and-grab raid on some neighboring foreign State? They can and will if it is clear that such a raid will be resisted by an overwhelming combination of countries. The German generals have hitherto taken no action in restraint of their Government's explosive foreign policy because they have been repeatedly reassured that it would yield great profit to the Third Reich. They have been told that, though German guns might fail against a combination of powers, they have another, and perhaps more profitable, use. They are vital to a policy of blackmail. We use this ugly word advisedly. The generals would obviously not object to using their military strength to blackmail the world if it were quite certain that they would not have to risk a war which might lead to the defeat of Germany. They share Herr Hitler's view that democratic government creates a spirit of "softness" which makes countries willing to submit to almost any demands rather than to go to war. This theory has been justified by the march of events.

It is only too well known that Germany, to use a vulgarism, has "got away" with a succession of treaty breaches which has few parallels in history,

St. Louis Post-Dispatch

YE MODERN JOUST

and that these successes were obtained when Ge many's armaments were much below their presei strength. The climax of German rearmament wi soon be reached; meanwhile, the blackmail polic is being perfected in all its details.

What should England do when confronted l German blackmail? The answer is clear. An financial or territorial concessions made to th present German regime would serve only to pe petuate the gangster tyranny which has force Europe to become an armed, or rapidly armin camp. Knowing, as Britain does, that peace an Nazi methods go ill together, we should make n concessions to a country dominated by men wh worship force and have shown no hesitation i using murder as an instrument of domestic an foreign policy.

We regret to have to admit that from a sma but rather influential circle in the City of Londo there flows a constant stream of propaganda i favor of credits for Germany. These propagandis say that a loan to Germany would be a twofol investment. We could buy off German aggressio and, by propping up an admittedly desperate an faithless tyranny, we could prevent Germany fro falling into Communism. Intelligent Englishme are unlikely to be terrified by the threat. Th notion that English money would keep Con munism from flowing into Germany is inherentl ridiculous. English money is far more likely t be used for the creation of poison gas and oth delectable munitions. The truth is that most En lishmen find it difficult to discover any fund mental difference between what the poverty our language forces us to call the "principles" Communism and those of Naziism. They certainl

do not feel that England is well cast in role of financial missioner to save Germany from Bolshevism.

The conclusion of the whole matter is that Herr Hitler must reap what he has sown, and his "nuisance value" must be discounted in his own disillusioned country and not in the City of London. Apart from the fact that it is contrary to the public interest to grant credits to Germany, it is clear that from the standpoint of the investor, Germany is a bottomless pit. And the bluster and bad faith, which have been the main ingredients of German foreign policy, have also characterized all Dr. Schacht's dealing with the English bankers and bondholders who have been foolish enough to put their trust in German promises.

—*Banker*, London Financial Monthly.

POWER AND PRIVILEGES

In Britain, for instance, the Hofmeyr school of liberalism is very prominent, yet it is evident that at the helm of the State stand those elements who may talk much about democracy, but whose supreme interest is to safeguard the financial and political hegemony of the upper classes. This alone explains why in Spain, where the issues are so clear cut, the democratic front in England, as expressed by the newspapers, is hopelessly divided. The "pure" democrats like the "Manchester Guardian" stand by their democratic tradition, while the political democrats of the Conservative school clearly favour a Fascist victory, lest a regime should arise in Spain which would threaten their own power and privilege. This alone really matters; the rest is just talk.

Il Travaso, Rome

MILITARY MEN MEET

"Who are you?"

"Who could I be? I am a volunteer"

The same phenomenon is observable right through history. Christianity, as its founder understood it, was the first truly democratic movement in the history of mankind. But where was that Christian equality under the theocratic State of the Middle Ages? The Cardinals (the "political" Christians) wore their ermine robes in feudal splendour while the peasants had to content themselves with cotton smocks. To borrow from Macaulay, the peasants who asked for an acre in Warwickshire were promised a principality in Heaven—"pure" Christianity was nowhere to be found. Which all goes to prove that, like in the jungle, it is the struggle for existence and self-interest of groups within society that is the prime motive force in history, and not religion and pure morality which limp but lamely after this important truth. This alone explains the bloody struggles throughout history. Oppressed classes have only freed themselves from their oppression when they have been sufficiently strong—not sufficiently ethical—to assert themselves. That is where Mr. Hofmeyr must in the long run be defeated. People all over South Africa may admire his courage and convictions, even agree with him theoretically but let him genuinely try to remove some of their privileges and these same people will oppose him rifle in hand.

—*South African Opinion*.

SIR AUSTEN CHAMBERLAIN

Sir Austen was the best-dressed man in the House of Commons. He always had a reputation for being exceptionally well-groomed. His top hats, frock coats, his monocle and the flower in his buttonhole were famous.

His explanation why he took such particular pains to dress immaculately is an interesting bit of the family history of the Chamberlains.

"Many years ago," he told once, "my father said to me, 'My boy, to two things in life pay the greatest attention—your frock coats and your enemies. Frock coats are liable to crease; enemies, unless treated very carefully, are liable to increase. They both require "smoothing down" occasionally.' "

Sir Austen's first budget speech was a trying ordeal. He had to deliver it in the presence of no less than four ex-Chancellors and he came out of it with an enhanced reputation. His references to his predecessors, "whose memories would be kept green by the burdens they had laid upon the country," was a characteristic thrust.

—*Curt Heymann*.

Sir Austen Chamberlain was a great parliamentarian, a capable if not a great statesman—and, as Mr. Attlee has justly said, a very great gentleman. He had sat continuously in the House of Commons for 45 years and had filled many Government posts. His opponents have joined

Il 420, Florence

SOVIET CIVILIZATION IN SPAIN
"The Russian mountains"

with his friends in paying tribute to his high principles, his devoted public service, and the deep personal kindliness which lay behind his stiff exterior. In politics he was a sound Conservative, but the son of "Radical Joe" was not the sort of man that reaction could always count on. He not only accepted, but warmly welcomed, the Irish Treaty of 1922, and five years later, as Foreign Secretary, his liberal attitude in China shocked Die-hards and Imperialists. His resignation of the India Office in 1917 after the revelations of medical incompetence in Mesopotamia was typical of his scrupulous sense of honour, as his obstinate support of Mr. Lloyd George (against his own political interests) in the Coalition period was typical of his generous loyalty. From the Locarno days on he had devoted himself mainly to international affairs, and in that field he made some bad blunders and did some good things. No one could question his sincerity or his desire to appease the passions of Europe. He was a consistent supporter of the League of Nations, but he saw it as something to be kept within close bounds. If in the plenitude of his power he had had a larger vision and courage, he might have immeasurably strengthened the spirit and authority of the League.

—*The New Statesman and Nation.*

GOD SAVE THE KING

I hear from America that the King's abdication has resulted in a general discontent with England, increased by the efforts of our upper class to repay hospitality by selling the Coronation to them. Apparently European favorite No. 1 is now M. Blum, and his exhibition, charmingly arranged along the leafiest part of the Seine, is going to be the great draw this summer. I wonder how many people who read this dread the Coronation as much as I do, and feel it to be a great impending black-out of everything pleasant, an orgy of "solemn moments," scaffolding and traffic disorganization. I feel, too, that the king-making operation, though performed under an anaesthetic, is more serious than people suppose. How many of us can still nurse sentimental or romantic feelings about the Royal Family, to the exclusion of republican logic. If *God Save the King* were dropped from the cinemas, as a courtesy to foreigners (who do not have to listen to *The Star-Spangled Banner* or the *Marseillaise*), would it be so unwelcome? When one's head is full of Ginger Rogers and one's hands of overcoat, is that really the moment to contemplate the predicament of the sovereign or to request divine intercession to solve it?

—*The New Statesman and Nation*, London

ARAB COMPLAINT

"The Fatherland is in danger."

These words should lead to a concentration of the whole national force in any independent country, awake its feeling of independence. This goes for Palestine, too.

This means: Let us prepare to find the road which will let us save our country and to combat the danger. What should a desperate man, the knife at his throat, do in a case like this? We are in just the situation of such a man: it is a question of life or death with us!

O Jews! Palestine is not a country which one can reduce to slavery! O Zionists! Palestine is not a cemetery!

The inhabitants have revolted several times and have shown that they are men! The courageous spirit of these men is not dead! Palestine is not a slave market! Even in its sufferings, the protection of Allah will cover it and its people who

suffer in silence, in the face of another race which fights it, and which is its sworn enemy, and which wishes to drive it from its native soil!

We have attracted the attention of the Government to the natural consequences of suppression and privation. Nothing is more true than that Palestine can keep silence, but it will not keep silent forever.

She can and will awake! The past proves this. The Government well knows this.

We address ourselves to men of good will: Don't continue to play politics! Don't turn your eyes from the will of the people! Do not say: There is a Balfour Declaration.

Above everything, there is the honour and sovereign right of a people. Does England wish this evil situation to continue?

We think that the answer will only be in the negative. We have lost patience. We no longer wish to let them mock at our rights. England! Watch out for your honour! If you don't we are ready to settle our accounts by ourselves!

—*China Outlook.*

AMERICAN ARISTOCRACY

We make the prediction that in due course former King Edward will find his most congenial future home in the United States. Assuming that he eventually marries Mrs. Simpson, as is more than likely, seeing that he gave up his Throne because of disagreement with his Ministers in connection with his intended marriage to the lady, there will be an added incentive to the ex-King to make his future home in the "Land of the Free". Whether predictions previously made that he would never again set foot on British soil prove true or not, the fact remains that he is not likely to stay long at any time under the British flag, because of possible complications. If ex-King Edward should decide to take up his abode in the United States, he would find himself one of the most popular men in the country. The doors of American society in all parts of the Union would be thrown wide open to him, for, despite the fact that legally Americans are debarred from using titles of nobility, the average American still has a hankering for a "handle" to his name. The United States (particularly the southern part of it) has a great flock of "Colonels," "Majors" and "Judges." Nowhere is a title more honored (we speak now of social life) than under the Stars and Stripes. For that reason alone the ex-King would be welcome everywhere in the country, "from the rock-bound coast of Maine to the Golden Gate" to use the hackneyed spell-binders' formula. But among the great mass of the American people his popularity would rest on much firmer foundations. First of all he is "hail fellow, well met," an attribute which Americans particularly appreciate. Nor will any American, whether he be a Mayflower descendant or a recently naturalized immigrant, ever forget that here is a man who gave up the mightiest Throne on earth rather than abandon the American woman he loved.

—*China Weekly Review.*

New York World-Telegram

A THEORY COLLIDES WITH A FACT

THE NEW POLICY OF ITALY

The deliberations of the Fascist Grand Council are at present the subject of political conversations and of the comments of the press.

The general impression is that the decisions taken constitute a moderate answer to the rearmament of England. Confronted with a British program that, it is felt here, is liable to upset the balance of European forces, Italy is united in thinking that she must make a heroic effort in economic organization and in the sphere of foreign policy. Militarization, autarchy, reinforcement of the Berlin-Rome axis, all of these are closely interconnected in the mind of Italian public opinion which approves unreservedly the attitude of its leaders.

In the sphere of Foreign politics the accord with Germany, formerly regarded with misgivings by many Italian circles, now appears as an inevitable necessity in view of the British armaments. It is in this sense that the Grand Council was unanimous in solemnly proclaiming the close solidarity of the two countries.

It is interesting to note that the reinforcement of this understanding coincides with the suppression in Rome of currents favorable to the restoration of the Hapsburgs. Italy finds herself obliged

to sacrifice more and more of her claims in the zone of the Danube to her formidable partner, and the *asservissment* of Austria is likely to be the price of the reinforcement of the Italo-German Alliance.

True it is that, forced out of Central Europe, Italy seems to turn more and more to the Mediterranean. It is to this that the desire of collaboration with the Balkan peoples expressed by the Grand Council may be attributed. An entirely new Roman policy is taking shape; a policy that tends to push Fascist Italy far beyond the scope of its traditional field of activity.

—*Figaro*, Paris.

GERMAN ECONOMY

Despite all superficial indications of a properous economic boom, economic conditions in Germany are fundamentally far from sound. During the last few years German prices, German currency and the German economy as a whole have become increasingly divorced from the rest of the world. While the German people are unlikely to starve and a financial collapse does not appear imminent, this progressive isolation has created severe stress and strain. In the end there are probably only two ways out of the present dilemma: an "explosion," as Dr. Schacht once prophesied, leading to forcible territorial expansion; or the reintegration of Germany in the world economy. British and French statesmen have been trying to persuade the Reich to adopt the latter alternative.

Formidable obstacles face the resumption of complete economic and financial collaboration between Germany and other countries. The mark would have to be devalued and realigned with foreign currencies, while foreign exchange controls and drastic import restrictions would need to be abandoned. This in itself involves grave problems of readjustment. Germany does not appear anxious, moreover, to give up the campaign for greater self-sufficiency which many National Socialists regard as the inevitable corollary of political independence. It would at any rate insist upon certain conditions—reduction in the foreign debt and return of the German colonies—which other nations are reluctant to concede. Nor is Germany itself prepared to accept political conditions for any outside economic and financial assistance that might prove necessary. When proffering such aid recently, both Britain and France made clear that they expected the Reich in return to participate in a general political settlement involving, among other stipulations, an all-around reduction of armaments. The German press and officials responded to these offers with a firm refusal to trade Germany's "political freedom" for a "mess of pottage." At present the trend in Germany is clearly toward greater economic isolation from the rest of the world. If this tendency is pushed to its logical conclusion, it should ultimately lead toward a completely planned economy.

—*Foreign Policy Association, Inc.*

United Feature Syndicate, Inc.

"NICE DOGGIE"

ARTIFICIAL HOSTILITY

Although Germans may not find it pleasant, it is a fact that the number of points of agreement between the earlier periods of Bolshevist Russia and the Third Reich is surprisingly great. The Nazi Party in Germany, just as the Communist Party in Russia, has no very convincing majority. Moreover, the Nazi Party is not homogeneous and it has not such a definite doctrine as Communism has. The German nation was unanimous for obtaining national equality and rearmament. National equality it has obtained, and as to rearmament, it has nothing to complain of. The oppressive burden on the taxpayer and the sacrifices in order to reach the goal have rather dulled the brilliance of Germany's new "freedom." New slogans have to be invented, or old ones repeated with more force. The former has not occurred, although the latter has: the standard of the anti-Communist crusade was once more raised. Nuremberg was devised to re-awaken the German people, but the effect in the border States was not very considerable since so many similar explosions have been heard, both from Germany and from Russia.

Nobody, then, in the border States attached very much importance to the international significance of the Nuremberg speeches, neither was anything more dangerous expected than verbal abuse;

in fact, it seemed that the speeches were chiefly intended for home consumption. Official expert observers in Russia and in the border States do not pretend to believe that Germany, without aid, will be able to attack Russia for a few years. Where is Germany to find allies for an undertaking fraught with so much risk? The Baltic States certainly do not even consider it, and Poland would not be particularly anxious for a war on her territory. It is also very doubtful whether Japan alone could be a decisive factor to the detriment of Russia.

At the moment, therefore, the Baltic States are not very perturbed as to the possibility of a well-planned attack by Germany on Russia, although the military value of the Franco-Russian pact is regarded here as doubtful. Many think that the pact is more in the nature of a wedge between Germany and Russia than a bond between France and Russia.

The Baltic States also consider that the violent shouting matches between Germany and Russia were promoted and controlled by the Governments and are not necessarily a permanent factor in the relations between the two countries. Common economic interests are at present breaching the artificial wall of hatred, which but a few months ago appeared totally impenetrable.

Meanwhile, the possibility of an armed conflict between Germany and Russia is at the present moment apparent, and should civil war break out or be induced in one of the buffer-States, hostilities between Germany and Russia could, by a "natural" process, develop from it. This danger is amply illustrated in Spain. It is unnecessary to say how important for the peace of Europe is peace in the States between Germany and Russia, and how carefully the situation there must be watched, lest opportunity for dissatisfaction occur, which could be fanned into flame.

—*Algemeen Handelsblad,* Amsterdam.

United Feature Syndicate, Inc.

HEIL!

GERMAN-RUSSIAN ALLIANCE?

It would surprise a good many people in Berlin and Moscow if they knew how much experts in London and Paris were preoccupied with the idea not of a German-Russian war, but of a German Russian alliance.

After all, Stalin seems as determined as any Nazi could be to destroy the Comintern, and Hitler is careful to point out that he has no quarrel with the Russians but only with their Communists. The gap now is not very wide, for Germany is becoming more socialist and Russia is becoming more nationalist. Months ago one of the heads of the French Foreign Office told me that the principal reason for the signature of the Franco-Russian pact, was the desire to forestall the signature of a German-Russian one. For that same reason, even the British Government is now beginning to develop quite an affection for a pact which has no justification under the League Covenant.

—Vernon Bartlett, *World Review,* London.

ANDRÉ GIDE'S COMMUNISM

When André Gide, after a visit to the depths of Africa, proclaimed himself to be a Communist, his statement on that occasion was primarily a matter of aesthetics, a fit of sentimentality on the part of an emotional writer whose nerves had been shaken by the sufferings of the exploited Congo Negroes. In the Soviet Union his references to Communism, his outpourings in the beautiful book on his journey to Africa, were accepted as something which had political significance. Actually, this was never so. Gide's *Communism* was not a result of logical reasoning. His embracing of Communism was a matter of sentiment; it was only an accident that he did not at that time come out in favour of Catholicism. He could just as easily have come to Jesus and Mary as to Marx and Lenin.

Besides, Gide undoubtedly went to the Soviet Union with a number of misconceptions. He misunderstood the draft of the Soviet Constitution and confused the genuine democracy to which the U.S.S.R. has come with the formal democracy of the Western European countries. He was therefore deeply disappointed when he failed to find in the Soviet Union freedom of opinion and of the Press in the Western sense. He was undoubtedly sorely upset when he saw that the Soviet people had no intention of replacing their Socialism by the parliamentarism of West-European coinage.

André Gide went to the U.S.S.R. as a Parisian with a refined taste, a scoffer, extremely self-centred, who regarded Paris as the natural centre of the world. He viewed without the least bit of sympathetic interest the great things one can see in the Soviet Union; however, his attention and interest were drawn to some petty tastelessness which can indisputably be found here. Just as the French for a long time refused to recognize the greatness of Shakespeare, constantly accusing him of tastelessness and barbarism and at best recognising him to be only a brilliant savage, just so did Gide's captious eye see in the Soviet Union petty defects, tastelessness, a lack of comforts. But he did not see the great, lofty planned development of the whole.

Gide speaks at great length about the "regimentation of souls" in the Soviet Union, about the growing "levelling." He forgets that a totally new culture is being created here, which is only in its initial stage, that a large proportion of the people, its majority, is in a certain sense only learning to read. But the letters of the alphabet, the elementary principles of the individual sciences are the same, they are not individualised. It is wrong to expect and it would be undesirable for anyone who begins to read "A" or "O," to pronounce this "A" or "O" individually as "E" or "U." When they learn to read better here, and this is a matter of a short time, then the laying of greater emphasis on the individual will be permissible.

As for other things, it cannot be denied that greater tolerance in certain spheres is desirable. But does not Gide know that the Soviet Union is faced with a serious menace, that it feels itself to be in a state of war? Does not André Gide know that people here must work like those biblical Jews who built their new temple holding a mason's tool in one hand and a sword in the other? Under these conditions it is not as simple and it is inexpedient to slacken discipline. Gide came to the Soviet Union not as a man who wants to observe without prejudice, but as a surfeited aesthete who yearns for new sensations. He found things not to his taste. This is his private affair. But he made this fact known at a time when the attack on Spain threatens the cause of the struggle for Socialism in France and throughout the world; this was—and even the aesthete Gide ought to have understood that —aid to the enemy, a blow at Socialism, a blow at progress the world over.

By publishing his poor little book just at this time, Gide deprived himself of the right to call himself a Socialist writer.

—Lion Feuchtwanger, *Pravda*, Moscow.

NEA Service

MARVELOUS!

SOVIET ARCTIC ADVENTURE

No country is as naturally oriented toward the Arctic as the Soviet Union, which largely explains why it is now the most active pioneer in the North. Large sections of the USSR are drained by rivers flowing into the Arctic. The Ob, Yenisei and Lena River systems, three of the six largest in the world, flow northward and drain most of Siberia. These rivers serve as barriers to east-west routes of travel, and, in turn, their full use as north-south routes is obstructed by the difficulty of navigation because of ice in their lower reaches. No railroads cross these rivers, except in their upper waters, where the Trans-Siberian Railroad bridges them near the southern border of Siberia. North of the railroad the natural outlet for the wealth of Siberia is toward the Arctic, but, until navigation in the Arctic Sea is made practicable, large sections of Siberia must remain undeveloped.

The Arctic Region of the USSR is rich in natural resources. Its seas abound with animal life and provide excellent fishing and hunting grounds, while on the islands and the mainland there are valuable fur-bearing animals. Extensive mineral resources are being found, which promise to be of importance in supplying the whole country with raw materials not found elsewhere in the USSR, as well as in making possible new industrial centers in the North. Political considerations also play an important part in stimulating the rapid development of the Soviet Arctic. With world conditions primed for another world war in which countries both to the east and west of the USSR are likely to be involved, the Soviet Union realizes that it cannot depend on linking its Far Eastern and western provinces solely by the Trans-Siberian Railroad and the 12,700 mile water route to the south of Asia.

Foreign Policy Association, Inc.

CHRONOLOGY

Highlights of Current History, Mar. 11–Apr. 11

DOMESTIC

MARCH 11—Assistant Attorney General Robert H. Jackson second administration witness before Senate Judiciary Committee; urges Congress end Supreme Court veto power on economic legislation.

Secretary of State Hull instructs U. S. Ambassador Dodd to make "emphatic comment" on obscene Reich press attacks over La Guardia incident.

Auto strike deadlocked over "closed shop" issue; both sides charge violations of previous agreement in Chrysler Corporation plants; negotiations broken between union and Hudson Motor Car officials.

President Roosevelt leaves Washington for vacation in Warm Springs, Georgia.

United Mine Workers of America, C. I. O. union, demand sole bargaining agency for Illinois coal miners.

American Bar Association members disapprove President Roosevelt's court reform plan by six to one vote.

House passes Guffey-Vinson Coal Bill to regulate bituminous coal industry.

Representative Dickstein, of New York, tells House Rules Committee 100 foreign spies at work in U. S. "to foment a Fascist plot"; pleads for rule to permit investigation of financing of foreign propaganda.

C. A. Dykstra, Cincinnati City Manager, offered University of Wisconsin presidency to succeed Dr. Glenn Frank.

MARCH 12—Ambassador William E. Dodd delivers strong protest to German Foreign Minister over Reich press attack.

Senators Walsh, of Massachusetts, Burke, of Nebraska, Copeland, of New York, score President Roosevelt's court reform plan, in New York; hold plan peril to rights of citizens, states, minorities.

Senate Judiciary Committee hears pro and con arguments on President Roosevelt's court reform plan.

United Automobile Workers of America and General Motors Corporation reach final agreement on strike.

Dr. Francis E. Townsend, old age pension advocate, sentenced to thirty days in jail, fined $100 for contempt of House of Representatives; defendant at liberty until appeal is heard.

Chrysler Corporation officials not to make up payrolls; cannot get records from office held by "sit-down" strikers.

"Sit-down" strike wave hits Chicago; 9,000 idle in thirteen minor labor disputes.

MARCH 13—Senator Pittman proposes amendment to President Roosevelt's court reform plan to fix Supreme Court Justices permanently at fifteen.

Roosevelt administration watches European developments; may ask arms limitation if opportunity arises.

Hitler declines to apologize for Reich press attacks on America; lays attack to "understandable irritation."

MARCH 14—N. L. R. B. rules Remington Rand, engaged in wholesale violations of National Labor Relations Act and resorted to "ruthless" methods in breaking strike of 6,000 which began May 26, 1936; board orders company to rehire 4,000 said to have lost jobs in strike.

Briggs Manufacturing Company, auto body makers, announces 19,400 of 33,750 workers idle as auto strike curtails production.

C. A. Dykstra, Cincinnati City Manager, accepts offer to become University of Wisconsin president.

MARCH 15—Circuit Court Judge Allan Campbell, in Detroit, issues mandatory injunction ordering evacuation of strikers from eight Chrysler Corporation plants.

Remington Rand announces it will not comply with ruling of N. L. R. B.; will fight ruling in court.

John L. Lewis, C. I. O. head, at anti-Nazi meeting in New York, says industrial democracy best guarantee against Fascism in U. S.

MARCH 16—"Sit-down" strikers in eight Chrysler Corporation plants, defiant of court order; Detroit faces general strike.

Minor "sit-down" strikes reported in New Jersey despite Governor Hoffman's ban.

Nation's railroads and union officials sign agreement; agreement covers pensions for 1,500,000 workers after Congress enacts legislation to validate plan.

U. S. Supreme Court Justice McReynolds tells small fraternity audience "evidence of good sportsmanship" is to accept outcome of "fair tribunal"; hits court reform plan by implication.

MARCH 17—"Sit-down" strikers defy court order to vacate eight Chrysler Corporation plants; Governor Murphy of Michigan warns of force.

United Steel Corporation signs agreement with C. I. O. affiliates; contract supplementing one of March 2 recognizes right of union to deal for members.

Senators Johnson, Lewis, King, denounce "sit-down" strikes.

Secretary of State Hull urges truce in row with Nazis as Germans again protest.

MARCH 18—Estimated 400 school children and teachers killed in explosion of New London, Texas school; blame gas from nearby fields for explosion which completely demolishes building; one third of total enrollment killed.

House passes McReynolds discretionary neutrality resolution by 374 to 2 vote; bill would substitute Pittman mandatory legislation.

Tentative agreements to end Remington Rand strike drawn up in Secretary of Labor Perkins' office.

MARCH 19—Rain hampers workers recovering bodies from ruins of New London, Texas, school; plan military court of inquiry to determine cause of blast; death toll put at 455.

U. S. Supreme Court Justices not to give views on President Roosevelt's court reform plan to Senate Judiciary Committee.

Circuit Court Judge Allan Campbell, in Detroit, signs order for arrest of 6,000 "sit-down" strikers holding eight Chrysler Corporation plants.

Both Houses of Congress assail "sit-down" strikes; also criticize President Roosevelt's labor policies and attitude of industry in labor unrest.

MARCH 20—New York *Times* survey of strike situation indicates Michigan, Illinois, Indiana major trouble centers.

Parents bury 455 children killed in New London, Texas, school disaster; inquiry board convenes.

Ferdinand Pecora, New York State Supreme Court Justice, charges big business originator of "sit-down" strikes before Senate Judiciary Committee; charges investment bankers "sat-down" for modification of Securities Act of 1933.

MARCH 21—Homer Martin, United Automobile Workers of America president, orders all Detroit auto locals except General Motors to prepare for general strike in protest of strike raids; ask mass demonstration against city authorities March 23.

Reveal gas line of oil company tapped by New London, Texas, school; furthers theory accumulated gas caused explosion.

MARCH 22—Senator Wheeler, of Montana, reads letter from Chief Justice Hughes to Senate Judiciary Committee; Hughes calls enlarging court unnecessary and move that will "impair" its efficiency.

Representative Hoffman, of Michigan, declares in House President Roosevelt could halt "sit-down" strikes.

Senate passes Naval Appropriation Bill by 64 to 11 vote; bill carries total of $512,847,808 for 1938 fiscal year.

MARCH 23—60,000 workers rally in Cadillac Square, Detroit; Walter P. Chrysler and John L. Lewis, C. I. O. head, to meet with Governor Murphy, of Michigan, to settle auto strike.

Professor Moley, former close advisor of President Roosevelt, condemns court reform plan before Senate Judiciary Committee; holds plan "easy path of expediency" which may lead to "atrophy and death" of democracy.

MARCH 24—John L. Lewis, C. I. O. head, agrees to evacuate "sit-down" strikers from eight Chrysler Corporation plants in Detroit; Chrysler not to re-open plants during collective bargaining negotiations.

Senator Borah, of Idaho, offers new Child Labor Amendment fixing age limit at 14 years instead of 18 years in amendment now pending before states; Senator Wheeler, of Montana, offers bill to make "products of child labor subject to laws of state into which they are shipped."

MARCH 25—"Sit-down" strikers quit eight Chrysler Corporation plants in Detroit; peace negotiations deadlocked.

Congress discusses "sit-down" strikes; Senator Vandenberg, of Michigan, hopes for statement from President Roosevelt.

MARCH 26—Collective bargaining issue divides auto union and Chrysler Corporation officials.

Military court of inquiry on Texas school disaster urges building control; find explosion caused by accumulated gas.

MARCH 27—Administration adopts "hands off" policy in labor situation; Senator Robinson, majority leader, says no immediate need for legislation on "sit-down" strikes.

WPA reports 20% production increase over 1929 necessary to reduce unemployment to 1929 level.

MARCH 28—William Green, A. F. of L. president, brands "sit-down" strikes illegal; warns labor against weapon.

John L. Lewis, C. I. O. head, quits Michigan for coal parley in New York; auto conferences to continue.

MARCH 29—U. S. Supreme Court rules Minimum Wages for Women Act of Washington State constitutional in 5 to 4 decision; decision reverses decision in Adkins case formerly held barrier against minimum wage acts.

Senator Carter Glass, of Virginia, bitterly assails President Roosevelt's court reform plan in air talk; calls plan "utterly destitute of moral sensibility."

U. S. Supreme Court unanimously upholds revised Frazier-Lemke Farm Mortgage Moratorium Law.

U. S. Supreme Court unanimously upholds sections of Railway Labor Act requiring railroads to engage in collective bargaining.

MARCH 30—Senator Robinson, of Arkansas, replies to Senator Carter Glass in air talk; characterizes statements President Roosevelt trying to undermine or destroy Supreme Court as "ignorance or misrepresentation."

Negotiations for new contract for 400,000 soft coal miners deadlocked; old contracts expire midnight March 31.

MARCH 31—Senator Wagner, of New York, defends "sit-down" strikes in Senate; says strikes "provoked by long-standing ruthless tactics of a few great corporations."

House Agricultural Committee strikes from Farm Tenancy Bill section providing $50,000,000 yearly to finance farmers seeking to own farms they operate for others.

APRIL 1—Senator Byrnes, of South Carolina, introduces resolution he terms tantamount to "declaration of public policy" against "sit-down" strikes.

"Sit-down" strikes close Chevrolet plant of General Motors Corporation, in Flint, Michigan;

30,000 idle as other General Motors Corporation units close.

Governor Hurley, of Massachusetts, vetoes resolution for repeal of teachers oath bill.

Negotiations for new contract for soft coal miners deadlocked.

APRIL 2—House Rules Committee favorably reports Dies resolution for inquiry into "sit-down" strikes.

"Sit-down" strikers hold Ford assembly plant in Kansas City; strikers protesting alleged discrimination in "lay-offs."

"Sit-down" strikers quit main plant of Chevrolet Motor Company, General Motors subsidiary, in Flint, Michigan; General Motors Corporation demands union live up to "permanent peace" agreement of March 12.

United Mine Workers of America sign two year agreement with soft coal operators; agreement grants $85,000,000 wage rise to 300,000 workers in eight states.

President Roosevelt announces government will curtail purchases in durable goods field; will place emphasis on consumer goods.

APRIL 3—Commerce Committee of Senate in report outlines recommendations to make ships "absolutely fireproof."

Senator Wheeler, of Montana, assails proposed curtailment of government purchases of durable goods; hold plan would throw miners out of work.

Walter P. Chrysler and John L. Lewis, C. I. O. head, resume conferences to end auto strike in Chrysler Corporation plants.

"Sit-down" strikers quit Ford assembly plant in Kansas City; peace negotiations started.

Strike in General Motors Corporation plants ended; Homer Martin, union president, hits unauthorized strikes.

APRIL 4—Strike in Ford assembly plant in Kansas City ended; men to return to work.

Report twenty-nine Americans held in Toulouse, France; men said to be volunteers for Spanish loyalist army.

APRIL 5—Senate defeats Byrnes amendment to Guffey-Vinson Coal Bill to condemn "sit-down" strikes by 48 to 36 vote; passes Guffey-Vinson Coal Bill by 58 to 15 vote.

Secretary of Treasury Morgenthau announces Treasury will have to borrow before end of fiscal period, June 30; does not disclose amount needed.

APRIL 6—Chrysler Corporation strike ended; agreement covers collective bargaining and related issues; new conferences will settle wages, hours, working conditions.

Congress bloc formed to lower relief appropriation; see threat of new taxes as government revenue fails to meet Treasury estimate.

Vermont Legislature passes bill to outlaw "sit-down" strikes; bill provides minimum sentence of two years' imprisonment or not more than $1,000 fine.

APRIL 7—3,000 farmers oust 500 "sit-down" strikers from Hershey Chocolate plant in Hershey, Pennsylvania; farmers angry at losing daily market for 800,000 pounds of milk.

Senate passes and sends to House of Representatives concurrent resolution intended as rebuke by Congress to both sides in labor controversies.

APRIL 8—House defeats Dies resolution for "sit-down" strike inquiry by 236 to 149 vote.

APRIL 9—President Roosevelt denies administration plans change in gold buying policy to lower price per ounce.

President Roosevelt reiterates hope of no new taxes in current session of Congress.

APRIL 10—Henry Ford hints of wage rise to combat unionization of his plants.

Peace negotiations started between company and union officials to end strike in plants of Hershey Chocolate Company, in Hershey, Pennsylvania.

APRIL 11—Nine shot in union riot in Galena, Kansas; local union resists organizing by affiliate of C. I. O.

Battle over President Roosevelt's court reform plan grows in tensity; Senate Judiciary Committee hearings nearing close.

SPANISH CIVIL WAR

MARCH 11—Loyalists check rebel drive on Guadalajara.

Loyalist authorities charge 30,000 Italians with rebel army in Guadalajara; accuse Italy of waging an "undeclared war" on Spain.

MARCH 12—Report rebel advance in northeast drive on Madrid; within six and one half miles of Guadalajara.

MARCH 13—Loyalists push back foe on Guadalajara front; report Italian troops turned and fled.

MARCH 14—Loyalists capture guns, food, ammunition of Guadalajara front as foe flees in disorder.

MARCH 16—Loyalists press rebels in Guadalajara sector; loyalists launch heavy air attack.

MARCH 17—Rebels attack on Cordoba front.

MARCH 18—Loyalists extend gains in Guadalajara sector; recapture Brihuega on Tajuna River fifty-two miles northeast of Madrid.

MARCH 19—Loyalists encircle rebels in Oviedo; cut communications.

MARCH 20—Report rebels retreating in panic in Guadalajara sector; loyalists report large gains.

MARCH 21—Loyalists continue advance in Guadalajara sector.

MARCH 22—Rebels rally forces to slow Loyalist advance in Guadalajara sector.

Rebel plane bombs Valencia.

MARCH 23—Rebels check loyalist advance in Guadalajara sector; loyalists repulse rebel attack on Jarama front.

MARCH 24—Guadalajara front deadlocked.

MARCH 25—Loyalists launch attack at Pozoblanco; rebels shell Madrid.

MARCH 26—Rebel siege of Pozoblanco broken by loyalists.

MARCH 27—Rebels gain at Pozoblanco in counter attack.

MARCH 29—Report rebels sank loyalist ship in French waters; British ship reports rebels fired on her.

MARCH 29—Loyalists counter-attack gains on Cordoba front; rebels report gains on Saragossa front.

MARCH 30—London reports mutinies, desertions, cripple both sides.

Loyalists gain in Northern Cordoba Province; capture Alcaracejos, Villanueva del Duque.

Rebel planes bomb Madrid.

MARCH 31—Loyalists press retreating rebels on Cordoba front; rebels abandon important railroad town of El Saldado.

APRIL 1—Loyalist gains on three fronts relieve pressure on Madrid; rebels launch drive on Bilbao.

APRIL 2—Rebel forces gain in drive on Bilbao.

APRIL 3—Loyalists advance on Cordoba, Asturias, El Pardo fronts; fighting on Basque front quiet.

APRIL 4—Loyalists capture Valsequillo on Cordoba front; rebels gain in drive on Bilbao.

APRIL 5—Report 80 Russian pursuit planes used in loyalist army.

Rebels capture Ochandiano, key town on Basque front; loyalists continue gains on Cordoba front.

APRIL 6—Loyalists' planes halt rebel bombing force on Basque front; also check rebel infantry.

APRIL 7—Loyalists advance on Cordoba front; capture Calatraveno Pass and Chimorra Hill overlooking Villaharta.

Rebels advance on Basque front.

APRIL 8—Loyalists close gap on Cordoba front.

APRIL 9—Loyalists launch offensive to end Madrid siege; rebels bomb Bilbao.

APRIL 10—Loyalists make slight gains in drive to end Madrid siege.

APRIL 11—Loyalists bomb Franceses Bridge over Manzanares River to cut rebels from force in University City.

INTERNATIONAL

MARCH 11—Sir Samuel Hoare tells British House of Commons that new naval building program will keep trade routes open; asserts that naval rivalry with U. S. is over.

MARCH 12—Germany proposes localized non-aggressive pact between herself, France, and Belgium, guaranteed by Great Britain and Italy and divorced from League of Nations, to replace Treaty of Locarno; Rome submits similar proposal.

League of Nations committee for study of raw materials adjourned until June 21 because of political difficulties.

Japanese troops reported retiring from Chahar.

MARCH 14—Germany and Italy, in moves to London, suggest abrogation of Franco-Soviet pact as conditions for New Locarno.

Swedish Foreign Minister to visit London; British oppose tendency illustrated by recent plans for economic cooperation between Norway, Sweden, Denmark, the Netherlands, Belgium, and Luxembourg.

Japanese liquidating drive in Mongolia.

MARCH 15—England obtains Swedish affirmation of friendship as first step in cultivating Western European bloc including Sweden, Norway, Denmark, and Belgium.

MARCH 17—British Foreign Secretary Anthony Eden queries Italy concerning landing of Italian troops at Cadiz, Spain, on March 6.

Japan will refuse to adhere to London naval pact or to limit battleship guns to maximum of 14 inches.

Hitler reported to have offered Denmark a treaty of non-aggression.

MARCH 19—King Leopold of Belgium visits England to discuss possible pact, intended as basis for new Locarno settlement, through multilateral guarantee of Belgian independence.

MARCH 23—Mussolini angrily attacks foreign anti-fascist critics. Italy refuses to discuss withdrawal of volunteers from Spain.

MARCH 24—France and Russia express resentment of extensive Italian intervention in Spain.

MARCH 25—Italy and Yugoslavia sign pact guaranteeing mutual frontiers and status quo in Adriatic Sea.

MARCH 29—Revolt in ranks of Spanish insurgents reported; German broadcast refers to "revolt" at Malaga; 30 officers declared shot in Spanish Morocco, and commandant at La Linea replaced. Rebels fire upon British freighter. British and French reach full agreement on Spanish policy.

MARCH 30—Reports of mutinies in Spanish rebel ranks, as result of Italian military failures, confirmed; similar outbreaks alleged in loyalist camp. British warn rebels against molestation of shipping.

MARCH 31—With reports of discontent among Spanish combatants, French consider new move to withdraw aliens from Spain.

Italy conditionally agreeable to discontinue sending volunteers, despite reports of landing of 1,000 in Morocco.

APRIL 1—Reports state that President Roosevelt will call international arms conference in Copenhagen next summer.

Patrolling of Spain to begin April 10.

APRIL 2—Despite optimistic official communiques, Czechoslovakia and Rumania reported to have attacked Yugoslav-Italian pact.

APRIL 6—Italian press campaign charges violations of non-intervention pact. Franco-Soviet relations reported cool, owing to French refusal to conclude a military alliance.

APRIL 7—Italy accusing France of directly aiding Spanish loyalists and training their aviators.

APRIL 9—Three U. S. missionaries ousted from Ethiopia; Italian Press denies breach of international law. Austrian press lashes out at German newspapers charging Austrian discrimination against German Nationals.

APRIL 10—Britain dispatches 46,200 ton battle cruiser *Hood* to Bay of Biscay to test rebel blockade.

FOREIGN

Bolivia

ARCH 16—Bolivian Government cancels Standard Oil Company's concessions and confiscates its holdings, charging non-payment of royalties on exported oil.

Canada

ARCH 17—Mitchell Hepburn, Premier of Ontario, bans sit-down strikes, hoping for influx of American industries.

ARCH 24—Federal Minister of Justice declares all sit-down strikes illegal in Canada, as legal means of redressing grievances already existing.

ARCH 29—Railway strike ends as employees gain restoration of 10 per cent pay cuts.

ARCH 31—Federal Government plans to take profit out of war through bill for control by licensing system of manufacture, export, and import of arms.

Ethiopia

ARCH 12—Italian reprisals stir native resentment; difficulties foreseen for Fascist regime.

France

ARCH 11—President Albert Lebrun launches appeal for subscriptions to 5,000,000,000-franc defense and restoration loan.

ARCH 13—Schneider-Creusot, France's largest arms firm to be expropriated by Government.

ARCH 17—Four dead, 300 injured in Fascist-Communist riots in Clichy.

ARCH 18—General Confederation of Labor workers declare half-day strike as protest against "fascists" but not against Premier Blum.

ARCH 19—No disorder results from strike; Leftist leaders pledge continued allegiance to Premier Blum; political calm restored.

ARCH 24—Popular Front wins vote of confidence in Chamber of Deputies by 362-215, but future break with Communists predicted.

Germany

RCH 16—Colonel General Hermann Goering hints of assassination plot against Hitler in radio broadcast.

RCH 23—State to take over farms operated by laggards, in order to increase production.

RCH 24—Germany now providing one third of its textile needs, Goering tells manufacturers.

RCH 30—General Ludendorff makes peace with Hitler, receiving acknowledgment as "*the* Field Lord of the Great War."

RCH 31—New conception of law, eliminating "abstract property rights," predicted.

Great Britain

RCH 13—Air net barrages, sustained by balloons, planned to defend London from air raids.

MARCH 16—War Minister Alfred Duff Cooper announces that soldiers will have four meals a day.

Sir Austen Chamberlain, architect of Locarno treaty, dies of apoplexy.

MARCH 18—Dean of Winchester denounces Mussolini as "madman."

MARCH 31—Budget year 1936-7 ends with real surplus of £7,530,000 despite expenditure of £186,072,000 on defense.

Italy

MARCH 16—Mussolini triumphantly enters Tripoli in Libya on white charger.

MARCH 17—Mussolini tells Libyans that League of Nations sanctions have not been forgotten; promises protection to Jews.

MARCH 18—Mussolini promotes Fascist protection for Moslems.

Japan

MARCH 14—Premier Hayashi endorses suggestions that Army restrict itself to questions of defense.

MARCH 15—Civilian elements seen as taking initiative against Army.

MARCH 27—Council called by Tokyo Chamber of Commerce demands a moderation of Japanese policy in China; victory for moderates seen.

MARCH 31—In sudden move, Premier Hayashi dissolves House of Representatives as reprimand to political parties for failure to pass bills; Army reported to have favored move.

APRIL 1—Dissolution denounced as pro-army move; elections set for April 30; Cabinet may cooperate with one of the political parties.

Mexico

MARCH 14—President Lazaro Cárdenas declares that Mexicans have complete liberty to attend Churches.

Russia

MARCH 15—*Pravda* and *Izvestia* attack clique rule in Moscow soviet, demand democracy.

MARCH 24—Workers standards show improvement; number of workers and employees now 25,000,000 as compared with 12,000,000 in 1928; total annual wages now 71,000,000,000 rubles as compared to 8,000,000,000 in 1928.

MARCH 28—Joseph Stalin attacks complacency and excessive adulation directed towards himself.

MARCH 30—Alarmed by a slump in industrial output, government orders 20 per cent increase in total production.

APRIL 1—Stalin speech published, urging Communist Party to get in closer touch with the people.

APRIL 3—Henry G. Yagoda, former head of O.G.P.U. to be tried for criminal activities.

This Month's

CURRENT HISTORY

A short time ago, the press and the public broke out into a screaming anti-Nazi crusade which recalled the frenzied horror stories of the Great War. Because of a relatively temporary form of government, the whole German nation was picked as a villain out of hand, and this despite a continuing relationship between America and Germany as nations which did little to justify the war-drums. The pros and cons of the outburst, which contrasts so strangely with our professions of neutrality, are examined by the editors in *Noise Over the Nazis.*

On April 30, Japan will go to the polls, as a result of the Hayashi Government's dissolution of the lower house. A general election shows that they still vote in Japan, but it is becoming a diminishingly important privilege. In *Japan's Halfway House to Fascism,* **W. H. Chamberlin** explains why this is so and describes the whole background of the election. Mr. Chamberlin, the author of several notable books on Russia, is perhaps best known as *The Christian Science Monitor's* distinguished correspondent for the Far East.

The controversy over the President's proposals continues to rage virulently, and more emotion than clear thought has been expended upon it. **M. E. Tracy,** the editor and publisher of *Current History,* strips away a lot of the bunkum from the issue and sheds some new light on it in *This Supreme Court Muddle.*

Few journalists enjoy the enviable reputation of **S. K. Ratcliffe** as an interpreter of England to America and *vice-versa;* and it is no easy job. In *As Britain Crowns a King,* he presents a vivid picture of the mysterious entity known as the British Empire and describes the complex problems its members face as they meet to crown a new king.

Ever since his sensational rise to power in Mexico, President Cárdenas has had a habit of striking the American headlines. His rise to power, his methods of staying there, his policies and the success they have enjoyed in Mexico are intimately related by **Carleton Beals** in *Cárdenas Organizes Capitalism.* Mr. Beals is the well-known author and publicist who is once again down in Mexico, this time to hear and sift the charges against Leon Trotsky.

The Spanish rebels have found it pretty tough going during the last few months; their troubles, however, have not been only from without but also from within, and many splits threaten the ranks of the gallant band of nationalists who set out to save Spain. **L. F. Gittler,** who recently returned from the scene of the conflict, has covered a multitude of Spanish and Portuguese sources to bring to light a lot of new material on *Spain's Rebel Chiefs*—what each hopes to do, who is the boss, and who differs from whom. Mr. Gittler contributed *France Finds a Huey Long* to the April issue of *Current History.*

Labor has found a new technique, and nothing has contributed more to the success of the C.I.O. than its adoption of up-to-date, streamlined, high-pressure organization methods. Just exactly how these operated in the C.I.O.'s signal success in the steel industry is revealed in **Herbert Harris'** first-hand account of *How the C.I.O. Works.*

Germany has built a new road system which sounds like a motorist's rosiest conception of heaven. They may also have been designed to conjure up the pacifist's most morbid conception of hell. **Frank C. Hanighen,** a noted authority on all phases of the armaments game, describes this network and analyzes its purposes in *Germany's New Roads.*

Liberia is pretty remote to most Americans. Even the fact that it is the last independent state in Africa to escape being gobbled up by an imperialistic power does not bring it to mind much more vividly. But it is the source of a very substantial number of automobile tires and the "farm" of the Firestone Company. Many are casting jealous eyes upon it, and for this reason its fate is a matter of intimate interest to those who appreciate motoring. **J. C. LeClair** contributes *Our Liberian Protectorate* to this issue and explains the problem.

Here is a vivid piece about an outcast race in an isolated corner of the world. **Harry A. Franck,** noted world traveler and author of *Roaming in Hawaii,* describes for *Current History* readers the story of *The Lepers of Molokai.*

New Zealand is a quiet spot, but its various governments have been noted for daring political experiments. Just now it is being governed by the first Labor party in the British Empire to gain an absolute electoral majority, and the outcome of their policies is watched with interest by all followers of politics. **Donald Cowie** analyzes New Zealand's "new deal" in *News from New Zealand.*

TRAVEL

AROUND THE WORLD WITH BOOKS

SELECTING thirty books which will "cover the world" is no easy matter! Yet imagine a traveler, on short notice, starting on a trip to virtually every part of the globe. Certainly he would have time to read no more than one, or at the most two, books on any given country—if that!

Hence this list of thirty travel-books, specially drawn up for *Current History* by Malcolm La Prade, widely known to radio listeners as the "Man from Cook's". It is primarily a handy list, reduced to the absolute minimum so that he who runs (touristically speaking) may read and so get a bird's eye view of each country he is to visit. That in many cases he will get much *more* than that is a tribute to the authors of these books, some of whom have achieved enduring classics of travel-literature, but all of whom are acute observers able to share their enthusiasm and knowledge with the reader.

Starting—most appropriately, this Coronation Year—with England, Mr. La Prade recommends *In Search of England* by H. V. Morton (Dodd, Mead) and *A Wanderer in London* by E. V. Lucas (Macmillan). Both these books definitely belong in the "classic" category—*In Search of England* because Mr. Morton's impressions of cities, villages, and people are as delightfully fresh as the rows of English hedges he passed on his informal motor-trip, and truly impart the spirit of the country. This new, revised edition brings up-to-date what has always been, deservedly, the most popular volume in his famous "Search" series. The author of *A Wanderer in London* is second to no living travel-writer in his ability to recreate the individual atmosphere of cities. Mr. Lucas writes of romantic London, aristocratic London, commercial London, galleries, churches, palaces, streets, squares, and the zoo—all with rare charm and intimacy.

Crossing the Channel—in time for the Paris Exposition—one could not do better than to choose another book by the same author, *A Wanderer in Paris* (Macmillan). This book, now in its nineteenth edition, has been thoroughly revised within recent years, and with its many reproductions of pictures and sculpture, offers an introduction to the beauties and treasures of Paris, as well as to the picturesque atmosphere of the city—its fascination and variety, its color, and its self-containment. For the whole of France (except Paris) an excellent quick view is afforded by that compact and entertaining little volume, *So You're Going to France* by Clara E. Laughlin (Houghton Mifflin). This, one of Miss Laughlin's first books, is also one of her best in communicating her enthusiasm, as well as her vividly humanized historical background.

Although there are good books on Belgium and Holland, separately, the two countries have a good deal that is akin, and may logically be surveyed in Frank Schoonmaker's book, *Come With Me Through Belgium and Holland* (McBride). Mr. Schoonmaker writes with an awareness of the living past and acute and entertaining comments on the present.

Towns and Peoples of Modern Germany by Robert Medill McBride (McBride) performs a service for the reader, in that there is probably no other travel-volume which deals with the traveler's aspects of Germany—ancient contrasted with modern—in a manner so compact and readable. This fourth edition has been brought up to date with new material collected by the author on his recent extensive tour of Germany.

Romantic Czechoslovakia (McBride) by the same author, is just what the title implies. Mr. McBride discovers a vigorous new nation created by the genius of President Masaryk and at the same time rediscovers one of the most delightful sections of old Europe, charming villages, and a fertile countryside with a peasant civilization that has scarcely changed for centuries.

A Wayfarer in Austria (Houghton Mifflin) by G. E. R. Gedye is a record of an informal travel-journey that brings vividly alive the colorful and historic atmosphere of this country of the blue Danube and the towering Tyrol.

From here, of course, it is only a step to *An Italian Holiday* with Paul Wilstach (McBride). Mr. Wilstach, avoiding the beaten path, takes the reader with him through an Italy rich in historic memories, yet glowing with the life of the people of today. This informal travel-record perhaps gives more completely than any other travel-book now in print the "feel" of the country as a whole, hence its selection as the one volume for Italy. (Her great cities, Rome, Venice and Florence, as interpreted by E. V. Lucas in his "Wanderer" Series, should certainly be included, did space on the Book-Map permit.)

Greece should be next in line—but since here one invades, more or less, the whole field of classical literature, it seemed impossible to select any single volume for the Book-Map. (In a pinch, one might suggest *Glories of Greece* by Carl R. Greer and *Greece and the Ægean* by A. E. Gardner.)

Cruising along the sunny Mediterranean, one finds the magical history of Egypt in *The Nile: The Life Story of A River* by Emil Ludwig (Viking). This deserves to be placed in the front rank of travel books. Following the Nile from its two sources in Equatorial Africa to the Mediterranean Sea, 4,000 miles distant, Mr. Ludwig reveals the essential character of the great river, and skilfully dramatizes the history of the many races of people who inhabit its banks. Another long-range but fascinating history-travel book is *The Cape to Cairo Dream* by Lois A. C. Raphael (Columbia University Press). For those who would know more about the opening up of Africa, and particularly Britain's great part in that undertaking, this clear and interesting record, which tells the whole story, is most heartily recommended.

Recrossing the Mediterranean, the closely interwoven Balkans demand a history in themselves, admirably furnished in that fine and scholarly volume, *History of the Balkans* by Ferdinand Schevill (Harcourt, Brace). Among various colorful travel-books on that part of the world is *Unveiled: The Autobiography of A Turkish Girl*, by Selma Ekrem (Ives Washburn) which gives a remarkable picture of Turkish life today, of the new civilization rising on the old.

Palestine, Asia Minor and the Mediterranean appear as the setting for *In the Steps of St. Paul* by H. V. Morton (Dodd, Mead). Although this book is primarily a study of St. Paul's character,

it also brings vividly to life the lands where he lived and worked.

Persia is excellently portrayed in *Half the World is Isfahan* by Caroline Singer and Cyrus Leroy Baldridge (Oxford University Press). Modern Iran is here observed by a famous author-artist team of world travelers, with unconventional descriptions of every aspect of Persian life superbly illustrated in color and in black-and-white.

India Mosaic by Mark Channing (Lippincott) is what its title conveys, a collection of impressions of a country that remains more of a riddle to the Western mind than any other land on earth. This particular book is chosen because Mr. Channing writes authoritatively and always in a delightfully interesting manner of the strange religious concepts and philosophical teachings of the Hindus, making India seem more real and less confusing to the traveler.

Swinging still farther into the Orient, we come to *My Country and My People* by Lin-Yutang (Reynal and Hitchcock). This is a truly magnificent book, describing China and its people, its art, literature, and philosophy of life—a very real contribution, as well, to better and more sympathetic relations between the author's country and ours.

Terry's Guide to the Japanese Empire (Houghton Mifflin) is a guidebook, but such a super-guidebook that it deserves to represent Japan in this list. Revised and brought up to date, it tells just about everything the traveler could ask about the land of cherry blossoms and snow-capped Fujiyama.

Veering northward to the Soviet Union, which is celebrating its twentieth anniversary this year, it is particularly difficult to select one book, or two, which will give today's traveler a picture as complete as possible, in such brief compass, of the country he is to visit. However, one may certainly recommend, for the scope and comprehensiveness of its facts, the *Handbook of the Soviet Union*, compiled by the American-Russian Chamber of Commerce (Reynal and Hitchcock) $3. And for a colorful and human presentation of the U.S.S.R. today, which is also authoritative, there is probably no better book than *This Soviet World* by Anna Louise Strong (Henry Holt).

Heading westward across the Baltic, it seems veritable treason not to list such fine and outstanding travel books as Agnes Rothery's *Sweden, Finland,* and *Denmark,* (Viking Press). However, for purposes of brevity, on a book-travel map, it seems expedient to group the several countries of the Scandinavian peninsula. This is done, admirably, by Harry A. Franck in *A Scandinavian Summer* (Appleton-Century), in which this famous traveler goes off the beaten track to write as buoyant and breezy—yet as discerning and sympathetic—a travel-record as any in his long and popular list. With his genius for seeing the inner spirit of a nation, he goes among the people of the streets and hamlets; shows the Swede, Dane, Finn, Norwegian, and Icelander in all their differentness and human-ness.

On this side of the Atlantic, one must certainly call attention to the strange paucity of books on Canada and the United States which are written from the travel angle. (And that is an important one, what with the increasing number of foreign tourists who are visiting these shores). John T. Faris really stands almost alone in the field of North-American travel literature with his two books, *Seeing Canada* (Lippincott) and *Roaming American Playgrounds* (Farrar & Rinehart). Such being the case, it is a pleasure to be able to report that Mr. Faris' books are both well-written and well-illustrated. Their scope as travel books, however, is limited, in that they deal almost entirely with the great outdoors, avoiding cities.

Far and away the most representative book on Bermuda is *The Story of Bermuda* by Hudson Strode (Random House). Every conceivable aspect of the Island, historical and modern, is vividly portrayed, with a wealth of anecdote and 75 beautiful photographic illustrations. The West Indies and the South American mainland receive their due in *Crossroads of the Caribbean Sea* (Missner) by Henrik de Leeuw, a lively and fascinating volume which takes the reader not only along the sunny streets of many glamorous cities, but also into their alleys and forgotten places.

Mexico is the subject of a number of excellent travel books, two of which supplement one another exceptionally well as a balanced diet for the prospective traveler. These are *Mexico Before Cortez* by J. Eric Thompson (Scribner) and *Off to Mexico* by Alice and Leone Moats (Scribner). The former furnishes the best and most vivid historical background for anyone going to Mexico, as well as for the armchair traveler; while the latter is a most entertaining and chatty "guidebook," containing a wealth of detailed information including lists of hotels, shopping suggestions and calendars of religious festivals and bullfights, with interestingly drawn decorative maps.

Images of Earth: Guatemala by Agnes Rothery (Viking Press) portrays the lush and dreamy tropic atmosphere of Guatemala in a series of impressions, factual vignettes which together con-

vey a more telling picture of that part of the world than a more formal study could give. This same author, with the sure touch of authority that characterizes her better-known travel books, has written a fine and comprehensive volume in *South America: The West Coast and the East* (Houghton Mifflin). She conveys the color and spirit of the land and the people with her peculiar insight and artistry.

Completing the list of thirty is *South Seas* by Hugo Adolf Bernatzik (Henry Holt), which explores some of the world's remote and as yet virtually uncivilized islands, notably the Solomon group, New Guinea and Bali—giving an excellent and untechnical account of primitive peoples, strange tribal customs and religious practices. The book is magnificently illustrated with photographs, in many cases splendid action-pictures of native life.

Although they do not properly belong in the specific list of thirty, no travel-list would be complete without mentioning a number of unusual books most of which have just been published. Prominent among these is *Finding the Worthwhile in Europe* by Albert Osborne (McBride). It is distinguished by a healthy candor and freedom from tradition, daring to express the author's individual preferences and refusing to hedge. Whether or not one agrees with Mr. Osborne's likes and dislikes, so candidly are they voiced that it helps the reader to gauge his own, aids him in deciding where to follow the author and where to follow his own bent. The countries covered are the British Isles, France, Germany, Holland, Belgium, Switzerland, Portugal, Italy, Norway, Sweden and Denmark.

Among the most recent on this supplementary list is *Invitation to Travel* by Helen Dean Fish (Ives Washburn), something new in travel books, as entertaining as it is practical. The author, who herself would rather travel than eat, knows from experience that it is important not only where you travel, but *how* you travel. And so—although she gives unusual itineraries for England, France and Italy, and an excellent travel-reading list on these countries—her real theme is *how to travel*, delightfully handled throughout. She lets the reader in on travel secrets—good ones—ranging from the one steamer-gift guaranteed to cement your friend to you for life, to sights, sounds and things to do in Europe, that the casual tourist doesn't dream of. The book's tips on how to get the most out of a trip are valuable for the first-time traveler, and has much of interest for the seasoned voyager as well.

Two new books on South America, Lewis R. Freeman's *Discovering South America* (Dodd,

Mead and Company) and *Land of Tomorrow* by R. W. Thompson (Appleton-Century) complement each other. Mr. Freeman describes a complete circuit of the coast by plane and rail; Mr. Thompson a journey into the interior of Paraguay and Bolivia by river steamer and Model T. The latter book, incidentally, gives an excellent insight into the Gran Chaco disputes.

All the associations and allusions, historical and literary, which hallow England for the traveler are gathered together in *England in Picture, Song and Story* by J. W. Cunliffe (Appleton-Century). The literary associations of England are also graphically set forth in *A Mapbook of English Literature* by John D'Auby Briscoe. Robert L. Sharp and Murray Eugene Borish (Henry Holt).

HERE AND THERE

DURING the period of the Coronation, Scotland will come in for a fair share of the tours. One of the most striking features of the rural communities of Scotland has been the development of new roads and modes of travel. Though a small country, Scotland has wide valleys, immense moors, great estuaries, and lofty mountains—all of which give an appearance of vastness. While the mountains barely average 2500 feet in height, the paradox has its explanation in the fact that they rise from sea level, so that the full majesty is visible to the eye.

Climatically, Scotland produces the unexpected. One of the northern countries of Europe, its winters are mild and its summers cool because of the Gulf Stream. In fact, many subtropical plants flourish on the West Coast and snow and frost are rarely seen.

Scotland would be described by a golfer who is familiar only with the East Coast, or Ayrshire, as a low-lying country, with flat grassy plains and sandy shores. But a yachtsman accustomed to the grandeur of the West Coast fjords (known down through history as the sea-lochs) would tell of a rocky coast and high mountains arching up from the sea. And a pedestrian tourist would refer to the rolling uplands of Galloway, or the rounded ranges of the Cairngorms, while his mountaineering friend would be enthusiastic about the intricate climbs in Argyllshire, or the thousand-foot precipices of Ben Nevis.

Palestine is not far behind Egypt in the matter of discovering and uncovering monuments of antiquity. Throughout the Holy Land, Syria, and Lebanon, tourists are able to see the expeditions at work. From Cilicia to the outskirts of Palestine may be seen the great castles and temples erected by the Crusaders. For two centuries all the expeditions and all the raids of the Latin Knights started from these castles.

A gigantic 130-foot lighthouse, topped by the most powerful light in the world, will be a feature of the Paris Exposition. The lighthouse is to be placed next to the Marine Palace, and at the close of the exposition will be placed on the *Ile d'ouessant*, a fortress off the coast of Brittany. The *Ile* has had a romantic history: rising out of the Atlantic where the ocean meets the channel its long jagged fingers, pointing defiance at the waves, have been the graveyard of many sailors. Appropriately, it is called the "Island of Horrors."

An ingenious device for dividing the city into different color zones, with scarlet streets for pedestrians, is being put into force at Istanbul. Buildings, municipal kiosks, trams and taxi stations in Pera—the European quarter—are painted gray. The main parts of the Oriental section will be brown, while shades varying from light to cocoa and the darkest chocolate brown will be used for "secondary" and "third-grade" roads. Light blue and green have been chosen for the suburban streets.

Ceylon, the pearl of the Indian ocean, rich in color, history, and legend, is only now finding its place as a holiday country. Touring the island, starting at Colombo, it at first appears that the port is completely Europeanized, but the unchanging East is revealed in the crowded bazaars. Here one finds a cosmopolitan city with Singhalese in colored cloth, with Tamils bearing caste marks on their foreheads, and with "Afghans" in queer trousers. The great Buddhist Temple in Colombo is a modern construction and Buddhists continue to spend money toward its further beautification. The frescoes and figures are the work of local artists, who use the same tools, colors, and designs which were in favor centuries ago.

The British Government has taken a firm hand to rule out profiteering during the Coronation season. Anticipating that many visitors would be needlessly alarmed by reports that general accommodations were not available and that it would be necessary to pay exorbitant prices for rooms or meals, the government has set up a Coronation Bureau that will serve as a clearing house for information. Here, the visitor will quickly learn where he may obtain hotel arrangements within his price range. The bureau is now engaged on a census of every room and small

flat listed for letting during the Coronation period and this information will be available to those seeking quarters. This survey will cover towns as far distant as Brighton, for special trains are to be run from such outlying places to accommodate those who have solved the housing problem by locating in the surrounding suburbs and countryside.

The World in Books

(*Continued from page 8*)

present problem; indeed, it is doubtful whether the author realizes that there is a problem. Mr. Lawrence makes the flat statement that recovery can be brought about here, "as in England," by leaving matters run their course "with a minimum of interference by the state." Yet the facts show clearly that the English government was decidedly active in the administration of recovery measures, and when Mr. Lawrence cries for a return to competition, restrained only by the fraud and anti-trust laws, the temptation is strong to refer him to 1929 and the several years which followed.

American Histories

Definitely outstanding in the field of history this spring have been *A History of American Political Thought* by Edward R. Lewis and *The West in American History* by Dan E. Clark, of the University of Oregon.

Mr. Lewis' work covers the period from 1865 to the World War and presents the picture not so much of what a growing, surging America did, but what it thought and said, and therefore did. There is something particularly satisfying in the reading of a work such as that contributed by Mr. Lewis. Here is information—important information—which takes on the greater value when placed alongside the multitude of books of opinions and ideas. The author has captured the personality of American politics in the period of the nation's greatest growth. Both as a textbook and as a background guide to present-day politics for the layman, *A History of American Political Thought* is profitable reading.

Mr. Clark's work, too, is a scholarly work that has not been made forbidding and which serves a definite function. He does not purport to be a pioneer in recording the history of the West, but his work is among the most comprehensive and authoritative studies of that subject. Carefully documented and making judicious use of maps, the book treats in full detail the expanding frontiers of this country. The West has been a changing territory all through our history and

Mr. Clark deals with each of the periods of its expansion: from the early West, when nations vied with each other to plant their flags on the rich land of a new Continent, to the disappearance of the frontier.

Conflict in Palestine

There has been a tendency to overlook events and developments of smaller countries, although they may have deep significance, and look to the larger nations for the major happenings. In Palestine, for example, a social and political upheaval is now taking place whose consequences may reach out across the seas. And Ladislas Farago, in *Palestine at the Crossroads*, has enabled the student of world affairs to observe the various forces at play which have transformed the Holy Land into a scene of unrest and violent disturbance.

With a skill in avoiding side-taking that can come only from a journalistic training, Mr. Farago reports that while the Arab revolts are anti-religious in nature, the basic cause is to be found in the clash of temperaments and in the different ideologies. This is not merely an issue of priority rights; the argument does not revolve about the question who was on the land first but the lack of affinity of one group for the other.

Having presented his story, readably and without unnecessary detail, the author avoids all conclusion or prophecy. For a determination as to which side is right—whether Palestine should be a politically-free Arab state or a homeland for the Jews—the reader must turn to his own prejudices.

China and the Far East

Any student of Oriental politics will readily admit that there is ample justification for the adjective in the phrase, "Chinese puzzle." Hence, the publication of *Can China Survive?*, by Hallett Abend and Anthony J. Billingham, and the second revised edition of *A History of the Far East in Modern Times*, by Harold M. Vinacke is cause for thanksgiving.

Messrs. Abend and Billingham are the China correspondents of *The New York Times*; this book cements and enhances their reputation, for it is a thorough, comprehensive, and unemotional piece of reporting. The fact that the first few pages seal a firmly negative answer to the title in no way detracts from the interest or value of the work. For the authors marshal their first-hand evidence convincingly. They see a grim law of survival operating in the Far East, and they demonstrate that Japan is more fit to survive than China. While the island empire adds to its power resources, China remains still torn by factional politics, still unaware that Japan is in a hurry, and phlegmatically hoping for salvation which will never come from the League of Nations, Great Britain, or the United States. There is here not only a clear picture of the respective strategic positions of the two nations, but also an engrossing description of Chinese domestic life.

Professor Vinacke's book was accepted on the esoteric shelf of "standard works" when it was first published in 1928 as one of the Borzoi Historical Series. The first revised edition was issued in 1933, and the present volume brings the story up to the end of 1936. The account of the impact of the West upon the East—one of the main themes of the work—has been revised in the light of the events of the last three years, and a new chapter has been added, dealing with recent internal developments in Japan and China and concluding with a provocative discussion of the future of the Philippines.

Spring Non-Fiction Books

In addition to the books reviewed in the continuous review section, the following have been selected as important non-fiction books on the spring publishing lists.

European Civilization: Its Origin and Development, Volume V. by various contributors under the direction of Edward Eyre, Oxford University Press, $7.50.

This volume, covering the economic history of Europe since the Reformation, is the fifth volume in a series of seven on the great project undertaken by Mr. Eyre and his contributors.

The New Soviet Constitution by Anna Louise Strong, Henry Holt, $1.50.

Miss Strong, an expert on Russia, has carefully examined the new "Magna Charta" of the U.S.S.R. She has translated the new Constitution and her findings, which are complimentary to the regime, are clearly stated.

Jay Cooke: Private Banker, by Henrietta M. Larson, Harvard, $5.00.

The life story of the nineteenth century's most famous banker, emphasizing not his activities as the financier of the Northern cause during the Civil War nor as the backer of the ill-fated Northern Pacific securities but his career as a private investment banker. Of particular interest to those in the business world.

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The Story of Secret Service, by Richard Wilmer Rowan, Doubleday, Doran, $3.50.

A brilliant and fascinating history of espionage systems and its leading characters during the last thirty-three centuries. Mr. Rowan, one of the greatest contemporary authorities on his subject, is also a writer; the combination has produced a book which for sheer interest rates it with the year's best.

The Woodrow Wilsons, by Eleanor Wilson McAdoo, Macmillan, $3.50.

The daughter of America's Great Idealist writes of her parents. Unaffected and with great ease, Mrs. McAdoo tells of the simple but genuine life on a New Jersey college campus; the more restrictive life of a Governor's family; and finally, life at the White House.

Talleyrand, by Comte De Saint-Aulaire, Macmillan, $3.50.

The distinguished French historian and diplomat has contributed a first-rate and human study of the statesman whom Macaulay once called an "obstinate fool."

The Civil War and Reconstruction, by J. G. Randall, Heath, $5.00.

Both a textbook and a work for the lay reader, Mr. Randall's study is a carefully documented account of the period from Buchanan to Hayes. Its 900 pages provide an interesting and attractive, as well as authoritative, treatment of the Civil War era.

Documents on International Affairs, 1935, Edited by John W. Wheeler-Bennett and Stephen Heald, Oxford University Press, $8.50.

Issued under the auspices of the Royal Institute of International Affairs, this volume is an indispensable work of reference for serious students of world affairs.

Prison Life is Different by James A. Johnston, Houghton, Mifflin, $3.00.

The warden of Alcatraz has written a revealing study of prison life and prison reform. Those interested in this subject will find much in the book to commend itself. Mr. Johnston tells of his experiences at San Quentin and, in recounting the routine of his post as warden, explains the nature of the reforms which he introduced while in California.

The Trial of Lizzie Borden, by Edmund Pearson, Doubleday, Doran, $3.50.

New England's famous murder case is retold in a highly readable and engrossing manner. This is the first of a series of books on famous American trials; the Hauptmann murder case will be the second.

Sugar: A Case Study of Government Control, by John E. Dalton, Macmillan, $3.00.

This timely study by the former head of the Sugar Section of the AAA explains and analyzes the role of the government in the control and regulation of industry, with particular reference to sugar. Exhaustive and authentic, the book will be read by all those interested in the attempts of the government to extend its sphere of influence over industry and in the industrial relations of the government with Puerto Rico, Cuba, the Philippines, and Hawaii.

Facing the Tax Problem, by the Committee on Taxation of the Twentieth Century Fund, Inc., $3.00.

In this book, incorporating nearly two years of study, every American who is concerned in any way with federal, state or local tax problems will find a distinctly new approach to the subject. The volume has been planned to give the general public a working knowledge of what the present tax system is, how the various forms of taxation fulfill the tests that can be applied to them, and what should be done to improve the system.

The Power to Govern, by Walton H. Hamilton and Douglas Adair, Norton, $2.50.

The Constitution is again examined for its much disputed meaning. But this time the authors have called in as witness the age that produced the document with its earlier stage of economic development, and its climate of opinion so unlike today. Their thesis is that "the Constitution of 1787 is not—and ought not to be—the Constitution of 1937."

Political and Economic Democracy, edited by Max Ascoli and Fritz Lehmann, Norton, $3.00.

Under the pressure of well directed attacks the defenders of democracy are rallying even if a bit late. This book, one that definitely aims at reaching everyone interested in public issues, faces the problems which confront the American people at this time: To what extent are the new developments of economic democracy, such as planning, works councils, consumer cooperatives, etc., compatible with the traditional institutions of political democracy? What is the proper function of trade unions and arbitration boards? How can democracy be defined? These are some of the problems with which the book is concerned.

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JUNE 1937

ARTICLES

FEATURES

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N. B. Cousins
Literary Editor

THE WORLD IN BOOKS

Books Reviewed in This Issue

BOOK	AUTHOR	PUBLISHER	PRICE
Middletown in Transition	Robert S. Lynd Helen Merrell Lynd	Harcourt, Brace	$5.00
Caste and Class in a Southern Town	John Dollard	Yale University Press	$3.50
Social and Cultural Dynamics Vols. I, II, III.	Pitirim A. Sorokin	American Book Co. (set) (each vol.)	$15.00 $6.00
The Miracle of England	André Maurois	Harpers	$3.75
London: The Unique City	Steen Eiler Rasmussen	Macmillan	$4.00
King Edward VIII: An Intimate Biography	Hector Bolitho	Lippincott	$3.00
Coronation Commentary	Geoffrey Dennis	Dodd, Mead	$2.00
Collectivism: A False Utopia	William Henry Chamberlin	Macmillan	$2.00
We Cover the World	Eugene Lyons	Harcourt, Brace	$3.00
The Soviets	Albert Rhys Williams	Harcourt, Brace	$3.00

MANY of us live in Middletown, a small city in the Midwest representing the least common denominator of contemporary American culture. We have a fairly strong sense of local pride and can recite the history of our town and its leading families for two or more generations back.

But though we think we fully know and understand Middletown, very few of us actually do. We are too closely woven into the actual fabric of the community to appraise the whole cloth. We see but do not perceive; our range of vision begins and ends with our own prejudices. Even our mirrors are concerned only with externals.

Occasionally, a visitor will come to Middletown and view us as easily and clearly as he would a plain from a mountain. He will show us not only things we have never before seen but ourselves. And that is what Robert S. Lynd and Helen Merrell Lynd have done in *Middletown in Transition*, a penetrating inquiry into an American mode of life. They have sunk a shaft clear through to the raw substance of American life and culture. And in making a laboratory of a community, they have also made a laboratory of a country. For it is America, and not Middletown alone, that is here revealed.

Middletown is a fictitious name, although the city it represents exists in fact. The authors have chosen this form of anonymity because they were concerned with the community as a specimen, not as a subject for journalist exposé. But despite the careful attempt at secrecy it is known that Middletown is in reality Muncie, a city of 50,000 population in the heart of Indiana.

The work by Dr. and Mrs. Lynd is their second sociological study of Muncie. The first, *Middletown: A Study in Contemporary American Culture* was published eight years ago and is believed to be the most important document on an American community of the pre-depression period. It is more than a decade since the first study was begun and Dr. Lynd has visited Middletown again in response to a curiosity among sociologists as to what changes, if any, took place during the years when the bottom fell out of the nation's economic flooring and breadlines were linked across the continent. But the authors have not restricted themselves to the lean years alone; their chronicle carries through to the Presidential election of last year and to the Middletown of today.

Middletown as a whole, the Lynds report, is in a state of transition. There is no question con-

cerning the process of change, but its direction is not clearly charted nor is its outlook decisive. The Lynds conclude that it is a course of "reluctant adaptation," recalling Tawney's characterization of Europe's ruling class which after the French Revolution "walked reluctantly backwards into the future, lest a worse thing should befall them."

Having voted for the New Deal in the recent Presidential elections, Middletown realizes that some compromises must be made and will not go against the tide of social reform and legislation if the national government takes a strong stand on these questions. Yet Middletown's majority for Roosevelt hardly means that the city has changed much from its traditional conservatism. The Lynds certainly would not attribute it to "radicalism" or a desire for drastic change. Middletown's "ruling class" views it as one of the occasional inevitable upsets, "one of those blind acts of nature." The working class, which is in the numerical majority, stood behind Roosevelt because it had the feeling that the government was on its side.

The depression found Middletown caring for its unemployed, an innovation which had a reluctant but philosophical acceptance. Aside from such "emergency" considerations, Middletown's cultural map is fundamentally the same as when the first study began: "A Rip Van Winkle, fallen asleep in 1925 while addressing Rotary or the Central Labor Union, could have awakened in 1935 and gone right on with his interrupted address to the same people with much the same idea. . . . The conflicts under the surface in Middletown are not so much new as more insistent, more difficult to avoid, harder to smooth over."

Middletown's culture is the type of culture to be bought by money—better homes, newer cars, winter vacations in Florida, higher education. All this, at least in spirit, remains the same and Middletown's business group is again broadcasting the news that happy days are here again. The lessons of the depressions have been bitter but have not served to develop any new ideologies of a positive nature. The business people have gone a little further in their opposition to centralizing tendencies in government, radicalism, and labor organization, and the working class has become conscious of the possibilities for good in social legislation. But there have been no "conspicuous rallying points" around which these trends could be whipped into a mobile unit.

Southerntown

It is interesting to compare Middletown with Southerntown, another test-tube community, in

this case the subject of a somewhat similar sociological study by John Dollard in *Caste and Class in a Southern Town,* published for the Institute of Human Relations by Yale University. Like the Lynds, Dr. Dollard has examined Southerntown, piece by piece. And like the Lynds, Dr. Dollard has attempted to keep the actual name of Southerntown a secret. All we know is that it is in one of the deep Southeastern states usually found near the bottom of any list of states graded on a national scale of cultural and economic values. The state is Democratic, Protestant, agrarian, and is Dry even though it is said the people had to stagger to the polls to prove it.

Southerntown is much less a "typical" American community than Middletown. It is typical only of the average small Southern town in a rural county devoted to a staple crop and traditionalized by a black belt history and psychology. According to this definition, it is hardly typical of the South as a whole and Dr. Dollard points out that Southerntown is more likely to represent to some degree a relic of the old agrarian South and bygone plantation days.

There are about 240 Negroes to every hundred white people in the county. The colored folks live "on the other side of the tracks," where the houses are small and in poor shape. The houses on the white side of town are well-spaced apart with ample lawns and the streets are paved. Most of Southerntown's white people were born there, the foreigners representing only a small number of the total population.

This then, is Dr. Dollard's laboratory. The purpose of his study was to observe the emotional underpinnings of such a community, and to see the "social situation as a means of patterning the effects of white and Negro people, as a mold for love, hatred, jealousy, deference, submissiveness, and fear." But the research presented difficulties. Dr. Dollard was forced to conduct operations from a regular business office because of taboos in interviewing Negroes in one's home. Approximately 200 Negroes were contacted and supplied the survey with information. Intensive work in gathering life-history materials was carried on with six men and three women, all Negroes.

The results of Dr. Dollard's study will be enthusiastically greeted by those who see no justification in fact for the wanton discrimination against the Negro. He finds no evidence to support the familiar argument that the race is biologically shiftless and that the labor turnover is extraordinarily large. Nor do the facts show that the Negroes have simple minds; complex and brighter minds being reserved for the white people. An examination of incidents upon which a

number of lynchings were predicated disclose that sexual aggression often originated with the white parties of the second part, the cry of assault arising, upon public discovery of the relationship, in an attempt by the woman to save caste.

Dr. Dollard's writing and choice of illustrations, characters, and anecdotes have given a warmth and three-dimensional character to the work. He has captured the flavor, rather than just the composition, of his subject. This human quality enables *Southerntown* to commend itself to a popular audience; at least, to those of us whose horizon of interests in life are beyond arm's length.

Cultural Dynamics

The month in non-fiction has had a definite sociological flavor. In addition to the Lynds and Dr. Dollard, there is Pitirim A. Sorokin, whose *Social and Cultural Dynamics* is of historic significance. This three-volume work by the President of the International Institute of Sociology and Chairman of the Department of Sociology is without question the greatest contribution to social philosophy of the past decade, if not the twentieth century. It is a monumental structure whose importance will give it rating in the perspective of time along with the works of Hegel, Lessing, Spencer, Spengler.

This is the evaluation of three sociologists who have collaborated in an analysis of the study for CURRENT HISTORY. It is impossible, of course, to attempt a complete appraisal and summary of a work of this scope within the limitations of a single brief review. Like *The Decline of the West* or Spencer's *First Principles*, *Social and Cultural Dynamics* is a work about which other books will be written.

Professor Sorokin's work is complete in four volumes, the last of which is now in preparation. Volume I, *Fluctuation of Forms of Art*, is divided into two parts: an introduction to the general work, and fluctuations in art. Volume II, *Fluctuation of Systems of Truth, Ethics, and Law*, examines the fluctuations in science philosophy, religion, and in ethical and juridical mentality on its various planes. Volume III, *Fluctuation of Social Relationships, War, and Revolution*, deals with the relationships between culture mentality and conduct and concludes with a postscript to the first three volumes. Volume IV, when completed, will offer a summarized theory of sociocultural change.

Social and Cultural Dynamics is not a history of the various cultures, but a sociology of its change. For the materials of his study, Dr. Sorokin has drawn from the cultural fluctuations of

Graeco-Roman and Western civilizations from 600 B.C. to the present. Viewed psychologically, the work represents, according to the author, "the world as seen through the window of an individual temperament and a personal life experience."

Professor Sorokin's work grew out of an attempt to find some reasonable explanation for the bewildering succession of changes in the world in the past 25 years. "If anybody had seriously predicted in 1913 a small fraction of what has actually taken place," the author says, "he would have been branded then as mad. And yet what then appeared to be absolutely impossible has indeed happened."

But in searching for the causes and reasons of this phenomena, Dr. Sorokin had to look beyond the leading principles of sociology. "Quietly, sincerely, I began to mediate, to study, and to look for the answer. . . . For a long time I was groping in darkness." But after trying and discarding different hypotheses, the central idea for *Social and Cultural Dynamics* emerged.

After preliminary tests Dr. Sorokin began the systematic elaboration of the work and the Harvard Committee for Research in Social Studies gave him a grant to continue his study. A number of scholars became interested in the project and worked on the research. The present volumes are the result.

Books and the Coronation

Great Britain's elevation to a place in the public eye, brought on by the physical fact of the Coronation and the circumstances which changed the titles as well as personnel of the Royal Family, has been the signal for a torrent of books on things English. Here is André Maurois, a Frenchman stopping his writing about Americans long enough to compose a history of the English (*The Miracle of England*). Here, too, is Steen Eiler Rasmussen, a Danish architect who is sufficiently enthused about London to write the story of that metropolis (*London: The Unique City*). And one must not overlook Hector Bolitho's *King Edward VIII: An Intimate Biography*, nor Geoffrey Dennis' candid *Coronation Commentary*.

M. Maurois thinks it a miracle that from a few barbaric tribes on an island could come the "masters of one-third of this planet." The author uses "miracle" in the sense of an incredible, surpassing wonder and he has sought to break down English history into its component parts and discover the genesis of empire; in a phrase; "to probe the secret of a destiny as fortunate and impressive as that of ancient Rome."

England's evolution has been slow and per-

sistent. Its graph shows variations, to be sure, but there has been no sharp rise or decline. Conservatism has charted England's course, and M. Maurois points out that Balfour once remarked that it was better to continue doing something absurd than to be guilty of an innovation, even though wise.

Precedent, too, has governed the English. The monarchy and Parliament are faithful to medieval tradition. In turn, the old institutions have acknowledged duly accepted changes in the powers of the government and the customs of the people. This "continuity and flexibility," M. Maurois believes, have insured a history which has seen little really important dissension or revolution in England. There have been uprisings, to be sure, and attempts at conquest have often been successfully resisted, but these were "only passing waves on a great sea."

Such instances as the loss of the American colonies served to make Great Britain a more moderate governing power. Concession and compromise have largely influenced its attitude toward the Lifelines and it is improbable that government will attempt to maintain its authority except by consent of the peoples governed.

Will the Empire, or even England itself, endure? M. Maurois will make no prediction save that as seems apparent after an analysis of her history: "On sea and land and in the air, England has great armaments; but the strength of her people springs equally from the kindly, disciplined, trusting, and tenacious character molded by a thousand years of happy fortune."

As a fount of information, M. Maurois' history of England adds little that has not already been capably supplied by John Richard Green, Pollard, and Trevelyan—native Englishmen—but his own interpretations and clear, lucid presentation are ample justification for another work on a subject that few historians have been able to resist.

"The Unique City"

Mr. Rasmussen is concerned with a miracle within a miracle: London. His thesis is developed in a manner not unlike that of M. Maurois'. The Englishman's traditional dislike of congestion, he tells us in *London: The Unique City*, first made London a city of pleasant cottages and cultivated grounds. And the strong feeling for sports and outdoor recreation gave it the parks whose natural beauty has been preserved through the years. Sport to the Englishman, the author says, is music. He finds not only joy but pride in being able to take part in the hunt or even

make a try at rugby, a game which Oxford or Cambridge taught him to love.

London's first record in history was written when Caesar landed in England in 54 B.C. Its geographical advantages were readily appreciated by the Romans who made use of the city as a trading center with the Continent. London began to decline in importance after the fall of Rome, but came back strongly with the rise of the Saxons and by the eleventh century was a prominent European center. Famine and fire virtually destroyed the city in the middle of the seventeenth century, and it was in this period that the present architecture of London began to take shape.

Mr. Rasmussen takes his place with a group of other distinguished non-Englishmen — Henry James, H. A. Taine, Hawthorne—who have written about London with distinction. *London: A Unique City* is pleasant and timely reading.

Royal Family to Family Man

Despite the official pressure upon the English people to forget their King in Exile, it seems certain—and this is reinforced by Hector Bolitho's *King Edward VIII: An Intimate Biography*—that David Windsor will never be a "forgotten man." For Edward emerges from the pages of Mr. Bolitho's book as an intensely human character, a member of the Royal Family who was loved more as a man than as a monarch.

Mr. Bolitho is a New Zealander who, like the subject of his biography, has no taste for pomp and pageantry. His interests gave him a close affinity with the former King and he accompanied him on a number of his trips. Even while Edward was Prince, Bolitho was given facilities and material to aid him in a biographical work. After Edward's abdication, the author went over the manuscript, revised and added to the text, resisting what to other less honest journalists may have seemed a temptation to capitalize on the occasion by writing something in the best spirit of the tabloid.

Mr. Bolitho's biography is frank yet in good taste, informative and intimate yet polite, revealing yet restrained. This does not mean that he chose his material with an eye to haloos and whitewash, for Bolitho has a point of view that in many cases does not coincide with that of Edward. He did not approve of the abdication and says it did not seem possible that the King would look past his people "to embrace the smaller needs of his heart."

Nor is Bolitho sympathetic with certain of Edward's democratic tendencies. "Everybody loved him, for it was his nature to attract devotion

(*Continued on page 126*)

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LOG OF MAJOR CURRENTS

Labor Faces a Counter Attack

THE twenty-fifth annual convention of the Chamber of Commerce of the United States functioned in marked contrast to its more recent war councils. Notably organized business, represented by 1,500 delegates, failed to produce, from within its own ranks, even one official denunciation of the political administration. Of course there was some criticism. But, for the most part, it was limited to the President's court plan, undistributed profits tax, and similar issues already badly mangled by some of the administration's own partisans. The old battle cry of, "kick the politicians out of business" apparently had been shelved for the time being at least. Hard-headed business men to all intent and purpose accepted the fact that the government is in business to stay. They saw no particular reason for antagonizing this powerful if unwelcome colleague. Further they had pertinent reasons for cooperating with the administration. Although superficially they seemed meek, actually there were hot plans afoot. Organized business prepared to counter attack the labor front.

The leading spokesmen withheld destructive criticism of the Wagner Labor Relations Act. Magnanimously they agreed to a man that, since the no more than just rights of labor had been recognized, industry would be wise to enter into partnership with the workers.

Partnership with Labor

In fact organized business not only proposed a partnership but at present are working undercover to fix rules for house-breaking the new found partner. Most favored curb of all is the desire for setting up a board complementing the Labor Relations Board, but with the power to fix minimum wages and maximum hours in industry. Such a plan has been symptomatic in the behavior of business for some time. At the Chamber of Commerce convention, Colby M. Chester, president of the National Association of Manufacturers pointed out that although workers had gained in leisure during the past twenty-five years "no intelligent business man would dare say that the workers everywhere are as well paid as they might be." Northern Industrialists aware that with labor powerfully enfranchised under the Wagner Act and capable of making its own terms are quite sure they would suffer little from Federal control of minimum wages and maximum hours. Furthermore such control would go a long way toward laying the ghost of wage competition with the South, and prevent a further migration of the textile industry.

As for labor it is still too early to ascertain whether it is favorably disposed to this proposition. Ostensibly the proposition would impair their greatest weapon; since industrial unionism's most adhesive quality has been the ability to humanize the conditions and raise the wages of those lowest in the worker's scale. Thus, it is assumed, business would, through the agency of the Federal Government, deprive labor of its greatest strength. And yet labor is in no position to come out and openly fight so logical and, when considered superficially, innocuous move as maximum hours and minimum wages. In fact Southern labor leaders admit such a move would do more for the Southern worker than labor organization could do in two or three decades. Nor should labor deceive itself about the fu-

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A PRETTY KETTLE OF FISH

ture, if it refuses this Federal aid. Ample warning has been given of what organized business is readying up for organized labor.

Union Curbs

With the validation of the Wagner Act business has decided that since employes are granted adequate protection from their employers, it is logical that employers should be adequately protected from their employes. As a step in this direction the most objectionable features of unionism (from the employers' standpoint) are being studied, and antidotes prescribed. In substance they seemed to agree on the following: that union contracts should be filed; that union incorporation should be made mandatory; that union contributions to political funds should be prohibited; that unions should be made financially responsible for breach of contract; that mass picketing be abolished. What merit these proposals have can hardly be weighed at this time without resorting to some rather sweeping generalities. However, examining them one at a time the labor champions offer the following rebuttal. Pointing to the past contractual records of employers they deem it hardly necessary to establish the integrity of the unions. And in fact union responsibility in maintaining contracts is excellent. In contrast it shames the employers for bringing up the subject in view of their own sleezy record. As for incorporation of unions, labor leaders wonder why they should be singled out since business reserves to itself the choice of operating as a corporation, partnership or proprietorship. In fact, the liabilities of a recognized union are the liabilities of each member—unlimited in contrast to the circumscribed liability of corporate bodies. Further unions are not organized for profit; unless, of course, it is insisted that increased wages and better working conditions are profit indeed.

Union Defense

Mistakenly many business heads point out a non-existent English incorporation law as a signal authority for this move. They can be assured that even a cursory examination of English labor law, as stringent as it is, will fail to uphold their belief that union incorporation is mandatory in that country. Concerning financial responsibility for breach of contract, labor leaders point out that there is nothing in the law to prevent injured parties in any contractual breech from seeking relief in the courts. They indicate, however, that the paramount reason for employer preference for the injunctive power in the courts is simply because the loss of suit exposes them to costs and further action. But mass picketing is something else; it hardly needs vindication. To force the abandonment of this weapon would be acceptable only when contingent with an iron-bound understanding on such questions as strike-breakers, labor spies and employer's bulletin boards. Finally, political contributions: on this point the employers may look to England where union contributions are hedged in and nullified by red tape requiring individual written consent from each contributor. Authority is split on the advisability of curbing political contributions: no pundit exists who can cut through the maze of argument and counter-argument. It is a question resolved only by the logic of future events.

What the Administration is going to do to help business straighten out some of these salients along the labor front is not yet known. Sad as it may seem there appears to be little likelihood that the President will abandon his progressive policy. He has pledged himself and his following to the assistance of organized labor.

Attempted Price Control

THE layman presumes that inflation has directly to do with the government printing presses vomiting billions of dollars in paper currency into the hands of the people. Only vaguely does he associate inflation with a state of rapidly rising prices. He accepts it as a temporary hardship, a hardship that will be dissipated when production more nearly reaches the level of demand. For in effect price inflation is caused when the users of available money begin to bid for goods which factories, farms and mines cannot produce fast enough. This is the situation that caused the President to speak gravely of "undue advances in prices" that endanger economic stability; and the effect of higher prices on the cost of living. Financial observers went even further to point out that should living costs outrun purchasing power a new crisis might develop, since the nation's markets would be unable to absorb basic products.

Solving the Puzzle

In view of the warnings that have come out of Washington, and, more important, in view of the powerful reactions they have caused observers are beginning to critically examine the administration's underlying economic philosophy. Try as they may they are unable to make the separate though interdependent pieces of the puzzle come out flush with the Administration's avowed design. Ostensibly the Administration has two ideas. The first is that an advance above the 1926 level is dangerous. And this checks with the President's restiveness when steel and copper rose above the 1926 level. In both instances he succeeded in modifying their rise by simply pointing them out as cardinal examples of unsound recovery. Specifically on April 2 the President complained that 17 cent copper was much too high. On April 6 the price fell to 16 cents, on April 8 to 15½ cents, and subsequently to a more respectable 14½ cents. Such an exhibition of remote control is testimony to the power of the President's voice.

However the 1926 average price level does not appear to be applicable to all commodities. For the time being, at least, some are exempt. The farmers have escaped censure despite the fact that prices have been jacked until many individual farm products are selling well above the 1926 level. To exaggerate this flaw in the President's pattern hostile economists, after distastefully accepting labor in the commodity category, are pointing out that according to figures compiled by the National Industrial Conference Board the average hourly earnings in factories has risen to 64 cents, as compared with 57 cents in 1926. Why, they ask, doesn't the President use his critical voice on this rampant commodity price. But, of course, the comparative figures are deceptive. Even an economic tyro would discount them as basis for judgment of the President's policies; since the rate of hourly employment by day and week is not even comparable to 1926. Men are working less; and the slight increase over the 1926 hourly wage level is not compensatory to the shortened hours. To pursue the Administration's pattern capital must be taken into the category of commodities. In essence the Administration policy seems one of perpetual easy money. To effect this investors must be prevented from earning excessive profits by the simple expedient of taxation.

Boom and Control

The second idea appears to be that the Administration considers the recent price rise as a dangerous encroachment on the cost of living. Even cranks accept this view as sound.

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BIRD SEED

However, they qualify their approval by pointing out that if the Administration persists in its warnings the situation will be aggravated rather than relieved. Who is right and who is wrong will not be known for many a long year to come. Many economists agree the President will soon learn that in a free economic society it is impossible altogether to control prices. What will happen to prices as soon as people begin confidently to use the tremendous reserves of money now inactive in bank accounts is fairly obvious. With each passing day the chances for governmental control of the "boom" becomes increasingly slim.

Era of Ill-Feeling

REVOLT has reared its ugly head on Capitol Hill. New Deal Congressmen have broken up into small plaintive groups, and are pounding each others ears with their own personal problems. While the President was off on a fishing trip in the Gulf of Mexico the boys shook the kinks out of their tongues to demand of each the reason for their suffering. Apparently this full blown era of ill-feeling had been making up behind the President's back. Some observers believe the Court Bill is at the bottom of the revolt. Others, perhaps more amused than alarmed at the overwrought legislators, interpret the nasty atmosphere as the natural aura of vainglorious persons forced to stand in the shadow cast by the President. Bruised pride is more in evidence than shattered logic.

Critical Condition

The Seventy-fifth Congress convened in a light hearted mood. Many of them were sincerely thankful for their own presence since they had been drawn to the seat of power only in the suction of a large-body passing them at great speed. A short session was anticipated. President Roosevelt was quick to disabuse them of that folly. He bluntly informed them that the country was still in a critical condition, and, furthermore the citizenry were paying the legislators to do a job. As a body Congress refused the President's vision of lurking disaster. To them it seemed only necessary to retire gracefully into the background and give national recovery its head. Then came the Court Bill. Not a detail of it was familiar to them until they were confronted by the proposed statute. For the run-of-the-mind legislator this was a classic affront. For the President it was intelligent strategy. Too often he had confided in those who were supposed to be trustworthy. Invariably a leak followed, with mangled publicity and a poor first impression. This time there was no leak, much to the disgust of the Washington gossips and the opponents of the Administration. Following the Court Bill came sharp orders from the White House to "get busy." The dozing statesmen were rudely awakened. They became irritable. They wanted to know what the President thought he was doing to them. And what, the average citizen might add, did Congress expect from this session? They had ample warning of what lay ahead.

President Roosevelt made his plans perfectly clear in Madison Square Garden. One plan or all the plans is a full-time job for any Congress. To improve workers' conditions by reducing overlong hours, increasing starvation wages, ending child labor and wiping out slums and sweatshops are just a few of the President's "must" objectives. In addition are the following: end monopoly in business, support collective bargaining, stop unfair competition and abolish unfair trade practices. Definite progress toward sounder home finance, better banking, reciprocal trade agreements, cheaper electricity, and better transportation.

Unsympathetic Citizens

Better land use, reforestation, flood control, commodity marketing, improvement of farm tenants and a comprehensive crop insurance are just a few more of the New Deal aims. Where then is the logic in the legislative anger when confronted with so staggering a program? Citizen taxpayers are unsympathetic to their petty plaints and wounded feelings. Furthermore the citizen is in no mood for a Congressional sit-down strike. If the wages and hours, and working conditions are unbearable on Capitol Hill then it is news to the struggling taxpayer. As for President Roosevelt, he is doing no more than fulfill some of the promises endorsed by a large portion of the voting public in November. It is hoped that his return to Washington has done much to dissipate the bad temper.

Recovery by Conference?

RUMORS of a general conference to limit economic barriers and the rising level of armaments have been flying thick and fast. The United States has been urging it for the last six months, and Mr. Norman Davis has obviously been to Europe for something more than a sugar agreement.

In April, the rumors gained momentum. Dr. Schacht, the German Minister of Economics, visited Belgium to discuss matters of trade and a possible non-aggression pact. The meeting was important because Belgium is the one country in which German trade has flourished under free exchange conditions and might therefore provide a link between the Reich's closed economic system and the democratic signatories of the currency agreement. The proposition Dr. Schacht was said to have put up to the Belgians was that Germany would buy on credit Belgian-controlled raw materials, which would be shipped through Antwerp, bringing trade to that port; these would be paid for in German manufactures. Little of immediate significance came out of the scheme, but one important result of the meeting was the statement that Germany would not exclude Soviet Russia from a general trade settlement.

The next development was the announcement that Paul van Zeeland, the American-educated Premier of Belgium who had previously been deputed by France and Great Britain to sound out the possibilities for trade agreements, would come to the United States to receive a degree from Princeton University and to discuss commercial matters with President Roosevelt and Secretary Hull.

A couple of days later, on April 18, French Foreign Minister Delbos stated that his country would support all moves in the direction of economic peace. And on April 19, Hitler assured George Lansbury, the pacifist English labor leader, that Germany was willing to participate in an arms and trade conference. Concurrently, the conference of Danish, Finnish, Norwegian, and Swedish foreign ministers was indorsing the objectives of the Oslo conference, in which Sweden, Norway, Denmark, Finland, Belgium, the Netherlands, and Luxemburg declared themselves in favor of lower tariffs. Great Britain gave the idea of a world conference a nod on April 22, when Premier Stanley Baldwin said that his country would participate, "provided a thorough, comprehensive investigation showed that such a conference would be likely to succeed and provided there had been adequate preparation." Again, on April 28, a report from Ottawa foreshadowed a trade deal linking Canada, the United States, and Great Britain; in return for concessions from the United States, the Dominions would forego some of the preferences laid down in the Ottawa agreements of 1932, in order to let American farmers and fruit-growers into the English market.

Obstacles

Behind all this flurry, however, are serious obstacles between the conference-makers and the realization of their hopes. Germany is unlikely to make the concessions necessary to enter a general agreement with the free-exchange nations unless she is satisfied on three scores: (a) that she receives a gold loan to back her domestic currency, now supported by dangerously low reserves; (b) that her foreign debt is reduced so that she can pay the interest and amortization charges out of her slim balance of international payments; and (c) that she is given access to raw materials, preferably in her own former colonies. These conditions, and especially the last, are not likely to be realized.

Then again, there is the attitude of Great

Bressler

CRACK O' DOOM

Britain. In the first place, she has made it clear that she will enter no conference dealing with disarmament until her rearmament program is well advanced and she feels that she has caught up with ground previously lost. Secondly, with the outburst of national and imperial fervor attendant upon the coronation ceremonies, she is not anxious to enter into any general economic agreement until she has made all possible arrangements with the Empire at the Imperial Conference. Thirdly, if Neville Chamberlain becomes Prime Minister, England will be more protectionist.

In conclusion, the United States has yet to declare her hand. Europeans are not likely to make tariff concessions unless they know that this country will make reasonable reductions in her own tariffs—particularly as her most-favored-nation policy will make her the automatic beneficiary of any scaling down of continental tariffs. The neutrality bill clears part of the ground; but other prospective members of a general economic conference expect the assurance of greater tariff concessions than they have received in the past from Washington.

A Non-Committal Neutrality Act

IF THE neutrality legislation enacted to replace the temporary act expiring on May 1 was a compromise measure, it was also an Administration bill; the manner in which it was passed shows that.

The Senate version of neutrality was a mandatory act, the provisions of which were to go into effect automatically upon the outbreak of war; the House conception was a discretionary bill, empowering the President to take action if, as, and when he saw fit. The problem was to reconcile the two in the final bill, and a conference committee was set up. The House Representative was Sam McReynolds, a close friend of the Administration. Members chosen from the Senate, which had been impressed by the results of the munitions inquiry and was mindful of the results of the discretionary powers granted to President Wilson, were Senators Key Pittman and Robinson, who would not be expected to go against the Administration, and Senator Borah, who had voted against the mandatory bill in the Senate; such active isolationists as Senators Nye and Vandenberg were excluded.

Not surprisingly, the committee reported in favor of the Administration's preference—discretionary powers for the President. The revised bill was not completed until Tuesday, April 27; it was then flown to President Roosevelt, then fishing in the Gulf of Mexico. As the old bill expired at midnight of Friday, April 30, Congress had just one day in which to consider and pass the new legislation. The timing was almost Machiavellian.

What, then, did the Administration apparently want so badly in the way of neutrality legislation? The new act maintains as permanent features the main provisions of the bills of 1935 and 1936, such as the embargo on arms and ammunition and the prohibition of loans and credits applying to belligerents on the outbreak of war. New permanent features forbid American citizens to travel on belligerent vessels, American merchant ships trading with a belligerent to carry arms or ammunition, and contributions to belligerent nations or factions, save for humanitarian purposes; submarines or armed merchant vessels of foreign states may be forbidden to enter United States ports or territorial waters; and the President may enumerate additional "implements of war," although no embargo may be placed on "raw materials or any other articles or materials." The temporary provision authorizes the President to forbid American vessels to carry "certain articles or materials" other than arms and ammunitions to belligerents and to prohibit the export of articles or materials until the ownership of them has passed to some foreign government or agency; this is the well-known "cash and carry" idea.

Convenient Compromise

The compromise, in short, is this: The bill falls far short of the dreams of the isolationists. It outrightly favors the powers controlling the Atlantic—Great Britain and France—and involves the United States in the European balance of power. It is a further retreat from the conception of neutral isolation of belligerents (see also *Monroe Doctrine: 1937 Edition*), and there is no guarantee that there will not be a war-trade boom which could not be liquidated when the belligerents ran out of cash and which might eventually suck this nation into the vortex.

Against this, the United States has given up

a substantial amount of arms trade in order to keep out of war; she has revised her ideas of "neutral rights"—an unfailing source of friction in past wars. At the same time, scope is left for the development of the Hull reciprocal trade program; for European nations are not interested in developing commercial channels which will be blocked at the outbreak of hostilities.

The crucial consideration will be the way in which the President's discretionary powers will be used; not desiring to make an immediate choice between the "trade-at-any-price" and the "peace-at-any-price" groups, the bill leaves it open to them to concentrate their pressures upon the President at a time of crisis. In the meantime, the Administration is able to issue an implicit warning to the fascist powers and to proceed with a trade program which it hopes may avert war, while not committing itself to commercial or military participation in any hostilities that may break out.

Berlin to Rome, via Vienna

THERE is intense diplomatic activity along the Rome-Berlin axis these days. Railway companies are doing a brisk trade carrying diplomats hither and yon, and their orders for private coaches would read as follows: Chancellor Schuschnigg and Foreign Minister Guido Schmidt of Austria, and Premier Mussolini and Foreign Minister Count Ciano to Venice, April 22; Colonel General Hermann Goering to Rome, April 22; Marshal von Blomberg to Rome, end of April; Foreign Minister von Neurath of Germany to Rome, May 3; mid-May, Count Ciano to Albania and Hungary, and Premier Stoyadinovitch of Yugoslavia to Rome; late May, Finance Minister Giuseppe Volpi of Italy to Berlin, with delegation of Italian industrialists, and Foreign Minister Beck of Poland to Rome; June, Premier Mussolini to Berlin.

Chancellor Schuschnigg arrived in Venice to straighten out a relationship that had changed radically in the last six months. The visit was originally scheduled for late February, to follow immediately that of the German Foreign Minister, Constantin von Neurath, to Vienna. But the Chancellor changed his mind when Virginio Gayda of the *Giornale d'Italia*, who has come to be regarded as Mussolini's official spokesman, ran a series of articles rebuking the proposals for the restoration of Hapsburgs, which happened to be Schuschnigg's main hope for the preservation of Austrian independence. On April 15, the Austrian Chancellor countered with the spirited statement that outside influences upon the form of the Austrian state would not be tolerated and that restoration need not be regarded as the only alternative to *Anschluss*. That this suggestion, obviously intended for Mussolini's ears, referred to a possible tie-up with Czechoslovakia and the democratic nations was later confirmed by an article in the *Christlicher Staendestaat*, a Catholic Monarchist weekly established by some of the Chancellor's friends; it ran to the effect that Austria's only hope was a military defensive alliance with Czechoslovakia which might delay the fascist advance until the advent of assistance from France and Great Britain.

All the time, moves were taking place to isolate Czechoslovakia. Italy had tried to detach Yugoslavia from the Little Entente, and Count Ciano's visit to Albania was planned to set the seal on the alliance. And, while Schuschnigg was on his way to Venice, Colonel Beck, the Polish Foreign Minister was negotiating with Bucharest in an effort to separate Roumania from her Little Entente partners and to keep her well out of the reach of Soviet Russia; the success of this trip he was apparently to report during his forthcoming trip to Rome.

Italy, for her part, was a less effective as well as a less desirable guarantor of Austrian independence; Ethiopia was expensive, in terms of both men and money, while she was up to her ears in the Spanish adventure.

Consequently, the outcome of the Venice conversations was not unexpected. Mussolini expressed his opposition to restoration of the monarchy; he refused Italian military support to check *Anschluss*, and he insisted that Austria enter no political alliance with Czechoslovakia, pointing out to Chancellor Schuschnigg that Great Britain and France were not likely to lend armed aid in the event of a crisis. It was further stated that no solution of the Central European problem was possible without the active participation of Germany, thus implicitly admitting the Reich to an equal footing with the signatories of the Rome Protocols. In a word, Mussolini used every possible

Daily Herald, London

Baldwin: "Those are Italians—those were!"
Chamberlain: "Huh!—Amateurs!"

argument to cement Austria into position on the Rome-Berlin axis.

Rome Conversations

The second important conference held along the Rome-Berlin axis was that between Foreign Minister von Neurath and Mussolini in Rome in early May. From these conversations ensued a plan for military cooperation to offset the effects of British rearmament, for economic cooperation to make good the respective deficiencies of each country, and for cultural cooperation to bring the sentiments of the two peoples nearer together. The further objects of the meeting were to bring the other signatories of the Rome Protocols—Austria and Hungary—into the bloc. Thus the fascists hope to cut off France from her eastern allies; at the same time, by virtue of the treaties which Italy has concluded with Yugoslavia and hopes to conclude with Roumania, the fascists hope for at least the passive benevolence of these two members of the Little Entente. This will mean that Hungary's demands for territorial revision will be concentrated on Czechoslovakia, upon which unfortunate nation Germany also has similar claims. Germany is to allow Austria to continue as an independent state, but is to be permitted to pursue a policy of economic penetration in the Danube Basin, in return for which Italy will seek to extend her influence in the Balkans.

Austria's Plight

Austria's position is unenviable; her present course leads inevitably to virtual absorption by Germany, and the only alternative—an alliance with Czechoslovakia—depends entirely upon the amount of support which France and England will vouchsafe. The latter two have made their intentions clear as regards Western Europe: they have accepted Belgian neutrality, but they have agreed to come to her aid should she be attacked by Germany. But what they would do—if anything—in the event of German aggression in Czechoslovakia has not been disclosed; unless they promise that help, the Rome-Berlin axis will draw the small Central European nations irresistibly towards it, as long as the two dictators, who are wise enough not to trust each other, stick together.

Deadlock in Japan

WHEN the Japanese militarists decided, at the end of March, to teach the politicians a lesson by dissolving the Diet and forcing a general election, they were guilty of a bad political blunder. It still remains doubtful, nevertheless, whether the civilian elements will be able to take advantage of the mistake.

The elections of April 30 followed a meaningless campaign. Correspondents vainly asked political, military, and business leaders what the issues were; partisans tried to inspire half-empty meeting places without success; there was little anti-Army propaganda and less corruption; and, when the polling took place, the number of abstentions was abnormally high.

All this indifference was not because the electorate was supremely content with things as they were; the election results deny that assumption. It was simply that nobody could perceive just how the election was going to help to make matters any better. When the votes were finally counted, it was found that the Hayashi Cabinet was virtually without support in the new parliament, having suffered an overwhelming defeat which Japanese newspapers compared to that of Governor Landon

last November; the majority parties—Minseito and Seiyukai—accounted for more than half the seats in the Diet, while the left-wing Social Mass Party increased its representation from 18 to 37 seats.

For Premier Hayashi the election result meant a sad loss of prestige—the more humiliating because it was completely unnecessary. He will probably have to pay for it in the long run. For the present, he has decided not to resign, stating his intention of correcting the false political ideas which Japan has borrowed from abroad and of establishing "a true system of constitutional politics peculiar to Japan." This assertion does not augur well for the politicians.

Farewell to the Parties?

In spite of the election results, the position of the political parties is no whit better than before. They are not riding the crest of a wave of popular sentiment; the election was too apathetic to guarantee them that. They lack the leadership seriously to challenge or remove the Government. And, if they were successful in ousting the Hayashi Cabinet, they would only have to deal with another group of militarists and bureaucrats in its place.

The present indications are that they will not oppose the Government during this summer's short special session, in which the Premier is only likely to introduce a few urgent bills, in the hope that by the next regular session in February, 1938, a divinity or combination of divinities will come to their aid; it is more probable that by then they will be beyond help, thanks to "a true system of constitutional politics peculiar to Japan," the introduction of which Premier Hayashi has threatened.

Spain: A Chapter of Horrors

"NO LANGUAGE can describe the scene at Guernica, and Guernica was not a single instance, it was simply a culmination of a long line of unspeakable atrocities. It was not a military maneuver. . . . An unarmed, non-combatant city was singled out for the most revolting instance of mass massacre of modern times. It was fascist strategy. . . . This is the logic of fascism. This is the logic of the system which is founded upon force. That is not courage but cowardice, not government but brute savagery, not war but butchery."

And this was not a perfervid loyalist partisan but an American isolationist, not a Union Square "red" but a Washington Senator, not a Senor del Vayo but Senator William E. Borah.

It is reported that Germany and Italy have decided to give General Franco one more chance before they attempt to withdraw as gracefully as possible from their savage adventure in Spain. The event which moved Senator Borah to those burning words was the rebel advance on Bilbao in a desperate effort to make the most of this final opportunity of enjoying the foreign assistance without which their cause would be lost. The drive on the Basque seaport occupied the center of the Spanish stage during the month and obscured previous rebel losses elsewhere.

From the international angle, three developments assumed prominence: the blockade of Bilbao (see *Spain Balks the Fascists*), the suggestion of mediation, and the commencement of the non-intervention control scheme.

The action of the British Government in respecting the rebel blockade and instructing merchant vessels not to enter Bilbao was undoubtedly predicated upon the hope of a rebel victory there, which would offset the adverse

St. Louis Post-Dispatch

"GUERNICA NO LONGER EXISTS"

tide of war then engulfing them in the south. That they subsequently reversed their stand was apparently due to the outcry of public sentiment against the fascist ravages in the Basque provinces.

The suggestion of mediation of the struggle was not officially announced, but Foreign Secretary Eden saw fit to praise Winston Churchill's "day dream" of mediation to bring the war to an end. It is not cynicism to point out that the proposal was made and favorably entertained at a time when the rebels had not yet recovered from the defeat at Brihuega and appeared to b: definitely losing and that when the advance in the north lent fresh hope to the insurgents, nobody thought of seriously advancing the idea, in spite of the fact that the brutality of the conflict had reached a new zenith. And it may or may not be significant that Mr. Churchill's lauded suggestion contained the proposition that, if one side rejected the scheme, the five great powers should unite to "giving their favor and support to the side which did accept the means of peace." There is only one party to the Spanish war likely to reject mediation—especially since the development of the loyalist army; as suggested before, Germany and Italy may be obliged to resort to this way out, should Franco fail in his final effort.

The Control Scheme

Much turns, therefore, upon the operation of the control scheme, described in last month's *Log*, which went into effect on April 19 after almost interminable postponements. In debating the bill in the British House of Commons, Mr. Philip Noel-Baker, the able Labor M.P., exposed six serious loopholes, which may be summarized briefly: (1) There is no air control; German planes can and do fly across France by night, while Italian aircraft can reach Malaga and Morocco without interference. (2) The Canary islands, now in rebel hands, do not come within the purview of the scheme. (3) The control does not apply to non-European powers. (4) If an observer discovers a breach of the rules, he reports in confidence to the London Board, who then informs the government whose nationals have infringed the agreement; it is not difficult to imagine how severely the violators will be punished. (5) The idea of mixed patrols has been abandoned, and few trust the Italians and Germans merely to watch the loyalist coasts. (6) Spanish ships do not come under the scheme at all—and this is probably the most serious loophole of all: there is nothing to prevent Germans and Italians transferring vessels to the rebels for a nominal consideration, or even changing flags on their vessels, and running in supplies to their hearts' content.

That does not leave much of the non-intervention control scheme, and, as heretofore, the outcome of the struggle will be determined by the amount of prestige and the numbers of troops and arms the fascists can afford to risk in seeking the achievement of their aims in the Iberian peninsula.

Glasgow Bulletin

Herr Hitler has expressed to Mr. George Lansbury his readiness for an international conference to discuss economic cooperation.

PAYING OFF THE NEW DEAL

Conservatives and liberals at odds as F. D. R. demands a balanced budget

By THE EDITORS

IT WOULD be little less than miraculous if the nation came out of a major war without a budgetary problem of novel proportions. And, since the President declared that his Administration regarded the depression as a national emergency of comparable proportions, which should be combatted by every means at the disposal of the Government, a day of bitter reckoning is equally inevitable, now that brief glimmerings of prosperity have shown themselves.

Critics of the New Deal derive a morbid joy from pointing out that, in three successive years, the President promised a balanced budget and that, in each case, he finally showed up with a deficit of over $3,000,000,000—the total inaccuracy of his predictions amounting to something like $10,000,000. Therefore, they doubt the feasibility of his present intentions. The pressure of circumstances, however, will probably prove them wrong. For the budgetary situation now confronting the Administration demands revision of Federal financial policy.

In his budget message last January, the President was able to hold out hope for a "layman's balance" in the fiscal year running from July 1, 1937, to June 30, 1938; estimates for relief were excluded, but it was expected that a $1,537,000,000 surplus realized on other accounts would cover this item. For 1937, the message anticipated a deficit in the final accounting of $2,249,-000,000.

But disappointing tax returns threw cold water upon these aspirations. After the spoils of March 15, the day for the payment of income tax, were counted up, they were found to be $267,200,000 below the corresponding figure for the preceding year; other revenues were $337,000,000 short of expectations. And the President's April budget message was couched in less optimistic terms.

In debt to the extent of $34,832,075,135, the Federal Government's accounts showed that $6,054,340,619 had already been spent during the current fiscal year; towards the payment of this, only $3,994,091,855 had been collected. By the end of the fiscal year, June 30, the President estimated that the total expenditures would be $7,781,000,-000; on the revenue side, he anticipated receipts of $5,224,000,000. That is, when the books are finally balanced at the end of this fiscal year, the business of running the United States will show a twelve-month deficit of $2,557,000,000—or $309,000,000 more than was expected last January.

But the nub of the problem and the gloomy fact agitating both legislators and taxpayers is that the same disappointment in revenue has dispelled all the roseate hopes for the "layman's balance" in 1938 with the corollary of a resumption of paying off the national debt. For the President announced that a deficit of $418,000,000 might be expected—and that only if Congress abided by the newly estimated expenditure of $7,324,000,000 for 1938. Instead of January's optimism, there are nervous reactions in the government bond market and vague fears of inflation, while taxpayers, particularly in the upper brackets, are emitting perceptible squeals, and legislators are filled with dire forebodings.

It was all very simple in the nineteenth century. In the United States it was relatively devoid of complications until economic doctrines tumbled as fast as stock

prices. The problem of the national budget was solved by rules of thumb of alphabetic simplicity; a good tax was a small one, the best budget a balanced one—and the self-regulating forces of an individualistic economy were supposed to do the rest.

As governments constantly intruded further into the regulation of and competition with private business and as it became increasingly apparent that the resources of private business were inadequate to provide all citizens with a modicum of comfort, the restriction of government expenditures to such minimal items as the maintenance of law and order became a patent impossibility. But, in the United States, it was left to the Roosevelt Administration to espouse explicitly the idea that the budget was an active instrument of social control, that it should achieve a balance between the various elements in the national economy, and that it could possess a function in flattening out the deadly curves of the trade cycle.

Today, the President and his Administration face the most serious budgetary crisis since 1933. And in this dilemma it is not a question essentially of high or low taxes, but of good or bad taxes, or of balancing the budget or leaving a row of deficits, but of the desirability of the ways in which the balance is to be achieved. It is a qualitative and no longer a quantitative problem.

Further, straightening out the budgetary tangle is only a problem incidental to that of the Government's whole economic and social policy. Taxes have to be judged by the extent to which it is desirable to lop off the top-heavy incomes — earned and unearned — with the social consequences thereby entailed; by their effects upon saved funds available for investment, and by their effects upon productivity and hence the national income. Expenditures have to be seen in the light of the obligation which society sees fit to assume towards its less fortunate members, the political desirability or necessity of such measures as heavy armaments, and the economic considerations of the amount of consumer purchasing power required at a given period in the business cycle. And deficits are not only a question of the proportion of the burden of the depression that it is reasonable to pile on the back of posterity but also a matter of the social assets—physical and intangible—that will also be passed as balancing factors.

Political Considerations

All these issues find the New Deal split and confused. The one decision made is the President's apparent determination to balance the budget; the extent of the confusion appears in the undiscriminating proposals going the rounds—not, it is said, without Presidential approval—in favor of an all-round percentage cut on all expenditures.

Several legislative proposals would seem to be in jeopardy as a result of the President's warnings to Congress. Of these the most important are: the Farm Tenancy Bill, which would provide $50,000,000 for loans to tenant farmers; the Crop Insurance Bill, which would set up a $100,000,000 fund for a Federal Wheat Insurance Corporation; the Wagner Housing Bill, which aims at an appropriation of $50,000,000 and the issuance of $1,000,000,000 in government-guaranteed securities to provide for slum clearance and low-cost housing.

But the real battle is over the size of the relief appropriations. Between July 1, 1932, and December 1, 1936, there has been appropriated for relief work and other relief projects $11,099,675,000, of which the Emergency Relief Act of 1935 accounted for $4,000,000,000. Since relief expenditures have been the main factor responsible for the increase in governmental expenditure, it is now rather too readily assumed that they must be the first to be cut, if the budget is to be balanced.

In this debate over the extent of relief, the Administration finds itself divided. The conservative wing of the Democratic Party favors stringent reductions in order to avoid new taxes. This group is under the influential leadership of Senators Byrnes and Robinson and Representatives Cochran,

Doughton, Warren, and Woodrum, and presumably backs Senator Byrnes' proposal for the reduction of relief expenditures to $1,000,000. At the opposite pole are the proponents of maintaining the present expenditures on relief, among whom are many who have hitherto been prominent in framing New Deal policies. These tend to fall in behind Representative Voorhis' proposals that a relief appropriation of less than $2,520,000,000 would be nothing less than selling out the New Deal, that the means test be relaxed, and that expenditures be met by a higher income-tax rate rather than continued government borrowing. These suggestions can count on the support of approximately one hundred liberals in the House; they are in line with the ideas of Mr. Harry Hopkins, and they may expect the support of Mayor LaGuardia's Conference of Mayors as well as of the pro-New Deal State Governors.

The President himself has proposed a figure of $1,500,000,000 for the 1938 relief appropriations. He has, however, suggested that WPA rolls will not be cut; in that event, an expenditure of at least $2,000,000,000 would be involved.

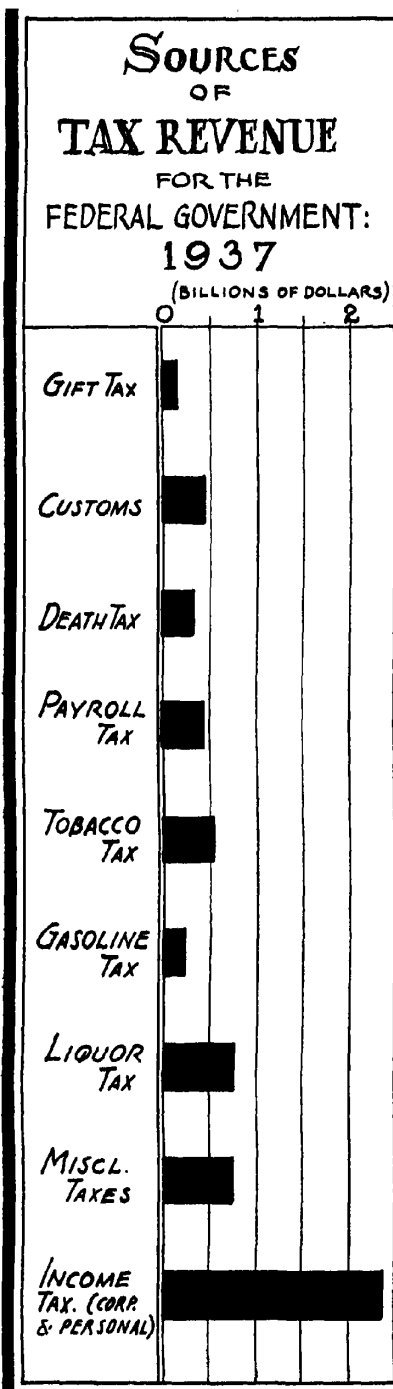
Here the battle stands joined. It may be pointed out, however, that the conservatives who so grimly demand economy have taken little account of its effects upon business activity. Industrial leaders who have been loudest in their denunciation of governmental extravagance have that extravagance to thank for a substantial portion of the demand for their products; reduced expenditures would inevitably incur a degree of deflation and an adverse effect upon the national income which might conceivably make the relative burden of taxes greater than before. And the liberals who cheerfully inveigh against the "economy hysteria" have yet to consider seriously the difficulty of imposing new taxes and the pressure which undoubtedly will be brought to bear upon the wage level if those taxes are put through.

For these reasons, it is relevant to glance at the tax structure and the Government's expenses with a view to possible taxes and economies which might be effected without an adverse effect upon the national income.

The Tax Structure

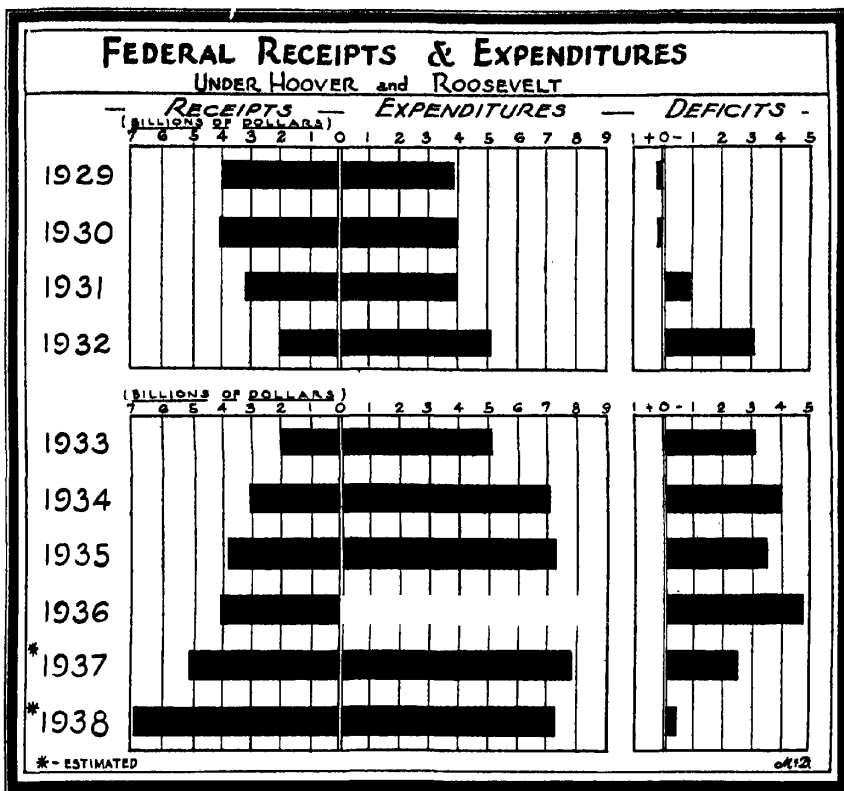
Each man, woman, and child theoretically pays $100 a year in taxes to the local, State, and Federal Government. And despite the fact that a few pay more and many pay less no one escapes altogether. A yearly total of $12,500,000,000 is rolled up by the three branches of government, comprising more than one-fifth the national income. To the vast majority of citizens the tax is an annoying necessity clipping them here and there for automobile and dog licenses, and yet too remote to seriously impair their blood pressure. However, to the minority blessed with more than an average share of the nation's goods the tax is a monster devouring them. These people are familiar with the devious and forthright ways in which the three branches of government squeeze their wallets to fatten the tax kitty.

In magnitude the property tax dwarfs all levies. It is practically the sole taxing instrument of all the local units in every State. It is the most productive tax in the entire system and provides approximately one third of the total tax revenue—Federal, State, and local. To distinguish it from other taxes, it has the paramount advantage of levying on the value of property as of a given date, and not on gross income, net income, or amount produced.

Second only to the property tax, and the source of the Government's chief revenue, is the income tax which bears down on individuals and corporations. In 1936 it yielded $1,400,000,000 to the Federal Government, or about one-third of all Federal tax revenue, the total yield being evenly divided between individuals and corporations. Beginning at 4 per cent on the first $4,000 of the individual's net income, it reaches 79 per cent on that part of the income above $5,000,000. Members of the high income group not only damn this tax but do their utmost to evade it. The most amazing legal stratagems are employed to make income appear as loss. And it is not

the exception when this profitable although highly dangerous trick is turned.

Many tax experts hope that in the future the income tax may be made into an even more lucrative source of income for the Federal Government. They recommend that the base of the income tax be broadened and its weight upon existing taxpayers slightly increased by lowering the exemptions. In a recent study, "Facing the Tax Problem," the Twentieth Century Fund offered as a scale of new exemptions the following levels: for a single person exemption reduced from $1,000 to $500; for a married couple from $2,500 to $1,000, and for each dependent from $400 to $200. It is estimated that such a cut in exemptions would raise the number of income tax returns to twelve or thirteen million including some eight or nine million taxable returns. This is a startling rise when compared with the total taxable returns averaging some 3,400,000 through the years 1934-5. It is estimated that such a broadened tax base including some eight or nine million taxable returns would, under the present rate, add additional revenues to the Federal treasury of some 200 million in a poor year to 500 million in a highly prosperous year.

Reasons adduced by many tax experts for broadening the income tax base are worthy of consideration. The consensus of opinion is that since the Federal income tax is the easiest of all taxes to adjust according to the ability to pay, it could be adjusted in such a way as to eliminate the many nuisance taxes. Such an income tax can be imposed on those most able to carry it. Unlike an indirect tax in the case of two people of equal income, the tax can be scaled to allow for difference in family status, source of income, and necessary expenditures.

Further, it is pointed out that an income tax has a salutary effect on the citizen, making him conscious of his share in the government expense, and perhaps leading to a heightened interest in the administration of his common property. In the payment of indirect and hidden taxes the citizen is

only vaguely conscious of his participation in government expense. With the income tax there is no escape. Each financially responsible citizen is presented with a bill of his own personal liability and is compelled to meet it.

Among other taxes the levies with perhaps the greatest sociological possibilities are the death and gift taxes. Concentrated economic wealth in the hands of individuals has had experience of these imposts in the past. In the main they have had an interesting influence on the dissipation of huge fortunes. The transfer of property at death has been roughly treated by the Federal Government, despite the fact that many citizens believe that residues are still too large for the witless progeny most affluent men seem to have a genius for breeding. Maximum rates of 70 per cent on that part of the estate above 50 million yield the Federal Government about 300 millions annually or about 5 per cent of the total Federal taxes. Today, a body of public opinion strongly advocates higher rates which in practice would lead to outright confiscation.

No tax in recent years has been less understood nor created more heat than the Revenue Act of 1936 which placed a tax on the profits of a corporation undistributed to the stockholders in the year in which they are earned. Beginning at 7 per cent on that part of the undistributed net income not in excess of the first 10 per cent of the net income (adjusted) the rate rises to 27 per cent on that part of the net income in excess of 60 per cent. The imposition of this tax it was estimated would yield from increased dividends taxed in personal returns something around 500 million in a normal year.

Perhaps the greatest source of confusion concerning this tax has been the antagonism between the primary reasons given by the proponents of the tax and the alleged economic effects that have also been cited in

its favor. President Roosevelt and Treasury representatives have stated that, other than the additional revenue the tax will produce, one of its prime objectives is to put the corporate stockholder on the same income tax basis as partners or individual owners of business. This was to be accomplished either by stimulating corporations to distribute income (to avoid heavy penalties) which could then be taxed as income received by stockholders, or by taxing directly the income withheld by corporations from their stockholders.

General Budget Items

Even such a cursory glimpse of the tax edifice creates some understanding of where and how the Government secures its administrative expenses. There are no strings and few tricks of legerdemain employed to exact the tribute. The citizen pays and in return receives innumerable services of which he is normally unconscious and usually ungrateful. When Uncle Al receives a fat soldier's bonus it hardly occurs to the immediate family that in one way or another they will have to pay for such an exhibition of Federal generosity. Fox example in 1936 the total Federal Revenues amounted to some $4,115,000,000. Compare this to the adjusted compensation payment to veterans totaling some $1,670,000,000 in the same year, and then add the fixed charge of veterans administration of some $675,000,000. Of course this terrific bite did not come immediately out of revenue. Nevertheless, it must be paid eventually and it is well to remember that in 1936 it totaled more than half the Federal income.

Relief, that lusty but unwelcome budgetary child, may or may not be a temporary burden. In 1936 it gobbled up some $2,776,000,000. In 1937-38 it may again dip into the bag for something over $2,000,000,000. The President estimates relief cost for the coming year at $1,500,000,000, while his less optimistic critics set the figure at nearer $2,500,000,000. However, even the most sanguine advocates of drastic relief curtailment followed by complete cessation of such payments in 1939, are not sure the budget can be honestly balanced at that date. To gain such an end revenues will have to increase, or, failing that, taxes must be scaled upward. Assuming all relief ceases in 1939, they still see a normal budget of well over $5,200,000,000. Or assuming that relief will only be curtailed gradually they see a $6,200,000,000 budget for 1939.

No matter what the future assumption, one disquieting factor creeps into all budgetary considerations. The question now is not whether taxes will be revised upward, but how much, and where the revision will be applied.

As the matter stands, the Federal Government is providing work relief for 2,000,000 persons in public works where the greatest portion of disbursements is wages. Many of these persons are unemployables in the strict sense of the word. Local authorities have been caring for additional unemployables unable to secure sustenance from public works. Latterly, the pressure to reduce Federal work relief has dumped increasing numbers of employables upon local authorities who have had to support them with direct relief payments. The National Conference of Mayors estimates the number of indigent employables and unemployables at about 500,000, while the Relief Administration places the figure at 350,000.

Today the country is witnessing a struggle between two groups of taxpayers to see which is to bear the heavier financial burden in caring for these persons. On one side are the States and localities, the basis of whose revenue is taxation on real estate, a form of taxation having no relation to the ability to pay. On the other side is the Federal Government, the basis of whose revenue is the income tax levied directly according to ability to pay. As between the two groups the States definitely must and are accepting a larger share of the burden, and perhaps, in the future will absorb it all. Local expenditures for outdoor relief have increased from a total of 332 million dollars in 1933 to 810 million dollars in 1936.

SPAIN BALKS THE FASCISTS

Germany and Italy are "on the spot." Will they resort to desperate measures?

By LAWRENCE A. FERNSWORTH

A PICTURE of the scholarly Dean of Canterbury, Dr. Hewlett Johnson, making wassail in a "pub" with British "limeys," would undoubtedly not be most calculated to edify staid English churchgoers, and so it must be explained at the outset that hotels in and near Spain have perfectly respectable "salons" which are half cafés where guests can have sociable times around circular tables. Here, at St. Jean de Luz on April 7, the sailormen of a British destroyer were celebrating their part in a somewhat dramatic incident of the high seas when the Dean hove in sight, having just come in from Bilbao on a French man o' war. He was taken in tow and, willy nilly, moored in their midst.

The Dean and several other English men and women had just been having some adventures of their own which began by their defying certain official personages in London who had tried to keep them from going to Spanish Republican territory. They had flown from Toulouse to Bilbao through air which was swarming with Franco's German and Italian bombers; had gone to Durango, where Franco's defenders of the faith and saviors of Spain were at that moment slaughtering men, women, and children by their air raids, smashing churches and convents, killing priests at their altars and nuns in their oratories. There they heard the official radio announcers of Franco broadcast that the Communists were guilty of dynamiting the three destroyed Durango churches, and they no doubt obtained new light on the meaning of the expression "to lie like a gentleman." Within an hour they were in Durango, saw the still-smoking bombs, and were themselves imperiled when the raid was renewed. They repeatedly had braved shell and gunfire at Durango, had traveled along the coast road from Bilbao to Santander which rebel warcraft were intermittently shelling, and against the advice of their own Spanish Cicerones had explored "red" territory around Santander where they found, not red territory at all, but a land alive with human beings of whom the menfolk were perforce under arms; rude folk who, without perhaps being "gentlemen" like Franco, could still show every courtesy and solicitude to their quite *bourgeois* appearing visitors whose identity they did not even know.

So when the British sailormen sighted the Dean they no doubt saw in him a kindred spirit, and he must come over and hear all about their own recent adventure. A day or two earlier the British merchantman *Thorpehall*, while proceeding to Bilbao, had been halted on the high sea by shots from a rebel cruiser, but the British destroyers, *Brazen* and *Blanche*, stripped for action, came quickly to her rescue. The sailors now told how they stood by at their guns ready to fire on and sink the "bloody pirate" the moment she got nasty, and how the pirate (as rebel warcraft have officially been proclaimed by the Spanish Government), after a little hesitation, turned tail. Thus British sailormen had played their little part in vindicating His Majesty's Government's title to "Mistress of the Seas" and were feeling quite good about it.

The picture changes swiftly.

On April 12 Premier Baldwin told the House of Commons that British ships had been warned not to attempt to enter Bilbao

because of the danger from mines laid in and about the port by both parties to the conflict, and presumably also because of other dangers such as attacks by land and sea. At the same time, Baldwin insisted, no interference with British shipping would be permitted on the high seas, although he did not imagine any British trader would dare send his vessels to the proscribed zone in view of the warning. The storm aroused by this attitude of the Government of the Mistress of the Seas is now history.

At Valencia a British press correspondent sarcastically remarked that British warships ought to be wrapped up in cotton and "cellophane" and sent back to Portsmouth marked "fragile, handle with care." Other critics accused their government of reneging on its own assurances that British ships would be protected on the high seas. One of the most extreme criticisms, made by the liberal leader, Percy Harris, was that the Government was co-operating with the insurgents' supposed blockade of Bilbao—never recognized by England—"to fight against the working classes."

Between April 12 and 17 there were certain interesting developments. The British battleship *Hood* had been ordered to Bilbao waters. Two German cruisers were reported bound thither. Two German submarines were reported leaving in haste for the Spanish coast. The rebels had five of their best warships hovering about the Bay of Biscay.

This situation may throw light on the somewhat cryptic statement made to the House by Eden in that same debate when he said that the British Government was responsible for the lives of millions of persons. Had England been menaced with war over Spain? Or were one or more powers in the offing putting up a bluff which, as some critics suggested, she was again afraid to call? And did some of her subjects finally take it upon themselves to call the bluff for her? At least British ships were again entering Basque ports and nothing has apparently happened.

The Baldwin Government would not seem to have made out a very good case in support of its virtual withdrawal of protection to its ships on certain parts of the highseas. Its acceptance of the mining of ports fares no better. An authority, in the *New Statesman and Nation* of April 17, points out that convention VIII framed at the second Hague conference of 1907 prohibits the laying of mines off the coasts and ports of the enemy with the sole object of intercepting commercial navigation. Britain accepted it with the reservation that it did not go far enough, holding that mines in territorial waters or on the high seas violated international law if likely to menace neutral shipping. This same authority mentions the case of the *Huascar*, in Peru, in 1877, famous in international law. The *Huascar*, an insurgent cruiser, boarded a British ship while it was at anchor in a Peruvian harbor, taking from it coal and its papers. The British Admiralty treated the matter as piracy, and the cruiser was engaged by a British man of war in territorial waters. Later the *Huascar* was torpedoed. This case is stated to be quoted in all standard textbooks on international law.

Are the Rebels Pirates?

Here of course there is a question of piracy, but the present situation would seem to be a parallel inasmuch as (a) the belligerency of the rebels has never been recognized, and they have therefore no rights in international law, and (b) ships flying their reputed flag have been notified to all governments by the Spanish Government, in accordance with international law and with treaties, as pirates.

There is of course room for argument as to whether the insurgents may not be *de facto* recognized as insurgents, which, while it would give them no international rights, might conceivably place a cloud on the designation of their ships as pirates. On the other hand, under international law, Great Britain or any other friendly country would be justified in affording its ships protection in territorial waters if the Spanish Government was agreeable. From

this point forward, however, the Baldwin policy would seem to be on more solid ground, such friendly aid might have serious repercussions inasmuch as Italy and Germany, in turn, might consider themselves licensed to aid the rebels in the territorial waters claimed by them, as they have already been surreptitiously doing. That would most certainly wreck the non-intervention agreement about which Great Britain is so solicitous.

The attack on Bilbao was directly related to these questions of international law. Franco and his allies, Italy and Germany, had staked much on the fall of Bilbao and with it the Santander and Asturian littoral. Their drive, which began on land, sea, and air on March 31, and which was to have put them in Bilbao in two or three days according to their best plans, was going badly. Bilbao and all that region was vital to them for its minerals, its industries, its ports, and its capture would make them the likely possessors of all the northern Spanish coast. They would then be in a strong position to claim recognition as belligerents, with all the implications of that fact.

On the eve of putting the sea control into effect at midnight of April 19 there was little to indicate that either Italy was not as interested as ever in the success of the rebel cause, and there were certain indications of Germany's continued interest as well. If then they accepted the control, if Italy had gone so far as to accept discussion of the withdrawal of her 80,000 or more "volunteers" quartered in rebel territory as an Italian establishment under Italian generals, what move were they planning? The Spanish air ministry on April 16 called attention to the continued passage of German planes toward Burgos, flying over France at night with doused lights. Were the rebels and their allies, thwarted in their land attacks, planning to shift the warfare to the air with the double intent of beating the control and crushing the Republicans, both on their fighting lines and in the civilian rearguard, by a campaign of air frightfulness of which they had already had a foretaste in the ferocious bombard-

Triangle

LINE-UP: *Loyalists gave photographers considerable freedom in taking pictures of prisoners as proof to the world that Italian soldiers were fighting for Franco. Among the officers captured were Major Antonio Luciano, of Naples (left), and Lieutenant Gaetano Boruso, of Palermo.*

ments of Durango, Bilbao, and other places on the Basque front? There were developments to warrant such a suspicion. Newspapers censored and controlled by the rebels likewise suggested such a course, as for instance the *A.B.C.* of Seville, which scouted the supposition that the control

plan would be baneful to the insurgent cause, stating: "Be banished such fear. Italy and Germany, the well-doing nations, will continue lending us their aid and will even intensify it. How? By mocking the control and placing at our disposal hundreds of airplanes which will take at their charge the task of converting into ruins the principal cities of the reds."

Fascist Objectives

In a previous article I examined somewhat at length the designs of Germany and Italy with respect to Spain. From the standpoint of international politics one may state succinctly: Germany's view is that a Fascist, German-intervened Spain, would immobilize at least four French army corps on the Spanish border, while Italy considers Spain the most advanced line of Italian defense. The evidence of the designs of both these countries, and of their preparations to execute them, made long before the present upheaval, accumulates. The taking of Malaga, with the presence of mobilized Italian land, sea, and air forces, has converted the southeastern coast of Spain, from Malaga to Cadiz, together with its bases and rearguard, into an Italian war zone. The taking of Malaga was scarcely a military exploit; it was an act of treachery of which no parallel in modern history comes to mind. It was treachery followed by an unbelievable butchery from the air of fleeing men, women and children, as the investigation of several correspondents on the ground, including myself, all too plainly brought to light. Malaga at this writing continues under the virtual, if not the nominal command of Italians, as does Mallorca. One document of which I hold a photostatic copy, dated in the Anno XV of fascism, begins, "First command, Division of Volunteers. God wills it," and is signed, "The Commanding General of the Division, Giangualterio Arnaldi," its full text being in Italian.

The Spanish Foreign Minister, Alvarez del Vayo, on March 12 addressed a note to the League of Nations protesting against Italy's violation of Article 10 of the pact. Therein he demonstrated the landing at Cadiz, on February 6 and on following days, of Italian divisions together with their generals, their batteries, tanks, and other equipment, all enumerated in detail. After the Guadalajara offensive a captured Italian major, Antonio Luciano, told this writer how four Italian divisions of 40,000 were active on that front alone. The plan at that time was to take Madrid, while Italian and German warships, under pretext of watching the coast, were to attack Barcelona and Valencia. Indeed it has since been demonstrated that the bombardment of Barcelona in the first days of February was effected by an Italian man of war while German cruisers have been hovering about the southeastern coast, and have frequently been observed to be hindering the movements of Government warships and merchantmen and to be communicating with the rebel positions ashore. The Marine minister, Sr. Prieto, in his note on control issued on April 19, wherein he ordered the Republican fleet to admit no interference with Spanish merchantmen because Spain had not accepted the control, said:

> The German and Italian men of war protect, when they do not themselves engage in, the transport of men and material which their governments send to be used in warfare against us; they constantly practise espionage; they keep vigilance on the Republican fleet and protect that of the rebels; from their decks they send airplanes which bombard our coast, and when they consider it safe they attack loyal ships as occurred in the case of the torpedoing of our cruiser *Miguel Cervantes* by an Italian submarine, the commander of which has just been decorated for that treacherous deed.

Italy's action in extending her first line of defense to the Spanish coast in the manner just described was in complete disregard of her "gentleman's agreement" with England announced in the first days of January. On March 8 there was signed in London a new non-intervention program, the parties to which, including Italy, undertook at once to cease the sending of "volunteers" and other war material to Spain.

Pictures

***BRITAIN BACKS DOWN:** After English ships were warned that they would have to enter Bilbao at their own risk, three British cargo boats and a destroyer (right) anchored off St. Jean de Luz. The boats shown above eventually ran the blockade successfully.*

Nevertheless Italian "volunteers" continued to pour into Cadiz. In a previous article written before the non-intervention agreement was signed, this writer pointed out the amazement with which Spaniards regarded England's child-like faith in present day Italy's capacity for keeping a gentleman's or any other kind of agreement. As President Azaña pointed out in his speech in Valencia on January 21, foreign intervention in Spain and in Morocco was an upsetting of the equilibrium of Europe which Spain, in her key position on the Mediterranean, had maintained by keeping a traditional neutrality. It was this equilibrium, or status quo, which Italy had agreed not to upset.

There has appeared in England a translation of Marshal de Bono's book, *Anno XIIII*, which, if one is to judge from English press comments, is proving somewhat of an eye-opener to Englishmen—more so, perhaps, than Italy's labyrinthine ways in the matter of Spain. De Bono reveals how he went to Abyssinia in 1932 to make a report, and from that date, in cold blood, prepared the provocation of quarrels and the invasion of Abyssinia, which Mussolini, who writes the preface to the book, had ordered to occur not later than 1936. The London *Times* said: "It reveals that the Abyssinians were found to be so anxious to avoid a quarrel that in the end the Italians had to force one on them." The most amazing thing about the book is its revelation of Italy's naive incomprehension of how such a heartless story is capable of shocking countries whose standards of civilization, however faulty they may still be, have at least gone somewhat beyond that. This book brings to the fore the question, already in large measure answered by presently passing events, as to just how far in advance the program for the present invasion of Spain was arranged, in the style of the Abyssinian event.

It suggests something else. Should the Spanish warfare, by reason of the Government forces' resistance and of the control, and for other reasons, not go to the liking of Italy, would she hesitate to use poison gas as in the case of Abyssinia? To the present I know of only one instance of the use of gas, that being on the Madrid front some months ago. It was quickly stopped, no doubt for good reasons, some of which readily suggest themselves. But gas is known to have been shipped into Spain, and the Italian troops have gas masks and flame throwers. One wonders whether the insurgents and their foreign allies, who to the present, have stopped at nothing else, would let any squeamishness about that stand in their way should they judge it to be a deciding factor.

On the side of Germany's preparation of intervention in Spain, documents seized in Barcelona after the July uprising tell an

astonishing story of German espionage and of German alliance with the reactionary forces now harrying the country with war.

In the earlier months of this year there were indications of a decreased German activity and, mayhap, interest in Spain. Did that indicate her intention to withdraw inconspicuously, if not gracefully, from the Spanish enterprise? On January 30 Hitler made a speech which, as regarding Spain, seemed like a face-saving device, and which would permit him to retire or plunge in more deeply, as events counseled him. It is possible that a combination of certain circumstances induced Hitler to reflect. Germany's major policy was, and remains, a rapprochement with England, which her Spanish interference by no means helped along. Moreover, Hitler was opposed by the regular army and there were signs of unrest among the people for the double reason of a reaction against Nazism and the sending of German boys to Spain. Nor did Hitler seem too sure of the S.A. It has been suggested that a vicious press campaign intended to discredit S.A. leaders was meant as the prelude to its liquidation, possibly by violent means. These factors, and Germany's great ambition of the re-acquisition of colonies through friendship with and pressure on England, were undoubtedly governing factors in Germany's attitude touching Spain. Time only will tell how decisive they shall prove. But it remains to be noted that German airplanes and technicians continue to arrive.

The question is frequently asked: "If Germany has so many soldiers in Spain, why aren't they fighting?" For although German planes, pilots, and technicians are everywhere seen, German divisions and other units have not been encountered as in the case of the Italians. In the early days there were some German units on the Madrid front and German prisoners have been captured around Malaga, but these are only isolated cases. The answer, which is supported by the statements of some captured German officers at Valencia, would seem to be that there is a serious division of opinion among the insurgent generals—indeed, a kind of Germany vs. Italy feud. Franco, it appears, has ceased to work in harmony with the Germans and is playing ball with Italy, having launched the disastrous Guadalajara offensive at the instance of the Italians and against the advice of the Germans. Mola, on the other hand, seems to be Germany's man. This may account for the cooperation he has been receiving from the Germans in his Basque offensive.

The Government morale and confidence, which took a decided slump after the fall of Malaga, have risen considerably, and there is a feeling that the darkest days are past. The Government under Largo Caballero is stronger and has succeeded in imposing its authority upon uncontrollable elements. The militiamen have been put under unified military command, not without some difficulties. On the military side the Government's procedure has been one of defense and counter-attack, except on the Cordova front where, in March and April, the Republican forces carried the war into the enemy country. Although the Government forces have been criticized for their lack of aggressiveness, their defensive warfare has its value from the standpoint of Spanish psychology. The failure of the insurgents to progress is having a demoralizing effect on their fighting men and rearguard. Spaniards are fatalists, and where the ordinations of fate are considered to step in, hope steps out. There are growing signs that Spanish officers and men on the insurgent side—that is to say such of the men as are in it because of their peculiar mental slants and not because they have been forced to fight against their convictions—are beginning to fear that neither fate nor their conception of God wills their victory, all of which is having a disastrous effect on their morale. As to the unwilling drafted men, they have never had any morale and merely await their chance to slip over to the Government side when they can and as they frequently do.

AMERICA TALKS COURT

John Q. Citizen has definite opinions and speaks out on the judiciary issue

By RICHARD L. NEUBERGER

HE CAME into the diner as the clattering train neared the giant Bonneville Dam on the Columbia River. The steward seated him opposite me at a table for two, and he ordered consomme, baked ham, and apple pie with cheese. While he was waiting for the soup, he pulled a rumpled newspaper from his pocket and began to read. My impromptu dining companion looked like the average, run-of-the-mill traveling salesman or business executive that one meets in any club car or Pullman between Cape Cod and Puget Sound.

After two or three minutes paced only by the click of the car wheels, he banged down his paper angrily on the window ledge. He took out his pencil and figured lightly on the tablecloth for another minute or so. "Good Lord!" he volunteered in a loud voice. "Our taxes are going up still more. This Supreme Court plan of Roosevelt's will cost a barrel of money. Six new Justices at $20,000 a year each—that's $120,000 right there. Then they're going to let them retire at full pay. And the same thing with all the other Federal courts. It's just another scheme to spend more money—like that infernal white elephant of a dam the conductor says we're coming to a little way down the river."

This seemed a fresh and novel viewpoint on the Supreme Court problem, and I listened for more. But the next statement came from across the aisle, where a casual train acquaintance of my companion had been listening to the conversation. He was seated at a large table with his family, and he leaned over the curly head of his little boy to interject, "Yes, and that's not all. They'll have to enlarge the Supreme Court building to make room for more judges, and there goes another big chunk of money. I wouldn't be surprised if this is one of Roosevelt's stunts for spending more of the taxpayers' money and putting us on the brink of inflation."

The next comment came from a man sitting behind me, who also had been overhearing these opinions. Soon, several tables at our end of the diner were engaged in heated discussion of the Roosevelt judicial reform plan. I had been on a good many trains during the last weeks of the bitterly-contested Presidential campaign of 1936, but had seen little like this—when people were so stirred and interested that they put down their knives and forks to give total strangers their political opinions.

So I started doing some overhearing myself, to learn what the electorate was saying about the judiciary debate. On trains, in hotel lobbies, at public meetings, I listened to as many conversations on the Court as I could without being an outright eavesdropper. I also put questions on the Supreme Court problem to typical representatives of numerous income and cultural groups. I was not interested in the opinions of the individuals who write learned newspaper columns or deliver flowery orations on one side or the other of the question. I wanted to find the viewpoints of the great inarticulate mass of citizens who get into the public print only when they are run down by an automobile, get married, or become the parents of quintuplets. What are the American people saying about the Supreme Court controversy? Do they understand it, or are they like my ephemeral acquaintances on the train who thought the crux of the problem was the additional expense that will be incurred.

Pictures

PEOPLE AND THE COURT: A section of the crowd in the corridors of the court building waiting for the Wagner decision. "There seems to be an opinion on the President's proposal for every member of the population."

Not long ago Oswald Garrison Villard declared that the "President's Supreme Court proposal has tremendously aroused the American people and set them, from one ocean to the other, to discussing the issues involved." Mr. Villard is completely correct that the proposal has set the people to talking. They are discussing the Supreme Court in bankers' offices in New York City, and in the general store at the crossroads in Yoncalla, Oregon. Whether they are talking about the issues involved may be determined partially by considering a few randomly-noted comments:

Youthful service-station operator: "Sure, the President ought to get rid of those old fossils. I've got an uncle who's 68 and I certainly wouldn't want him running the country. We have to help him around all the time, and he's never out of the doctor's office. He lives almost all the time on broth and milk-toast. And by golly, he's younger, at that, than most of those Supreme Court judges."

Young nurse: "I didn't know whether to be for or against the President's plan until I saw a picture in a magazine showing the Supreme Court's dining-room. All the judges had special dishes, different knives, and forks, and special salt and pepper shakers. That settled me. I've had enough experience with crotchety patients to know that people who insist on all sorts of special favors sometimes aren't up to standard. If those judges can't use regular silverware and dishes, then they're too finicky and peculiar to run the country."

Wife of successful business man: "I know the President has never seen those dignified old men in their majestic black robes. If he had, he could never propose such a terrible thing. When I was in Washington, my husband took me to see the Court in session. It was the most wonderful sight I ever saw. It inspired me. If someone could only persuade the President to see the Supreme Court judges in that marvelous new hall, I know he would change his mind about the situation."

Worker on a WPA project: "I think big business is slipping those Justices some extra money on the side. In the paper the

other day I saw a picture of one of them on his country estate. They get $20,000 a year, and that's a lot of money—but it isn't enough to keep up a big estate. Where's the rest of it coming from? I'd like to see an investigation of the bank accounts of those judges. I bet they own a lot of stock; their Wall Street decisions show that."

Old man wearing Townsend button: "The President has no respect for the aged citizens of this country. He has made a political prisoner of their champion, Dr. Townsend, and now he claims that old people are not fit to serve on the Supreme Court. Providence will punish the President for this treatment of those who are old and gray. 'The hoary head is "A crown of glory," ' says Proverbs, xvi, 31. Evil days will come upon America if this Supreme Court plan is passed."

Middle-aged clerk: "The Supreme Court has brought this upon itself. The Court had no business to turn loose that communist in Oregon, and it should never have given those Negro rapers from Scottsboro a new trial. I hope the President gets rid of those two Jews and doesn't appoint any more to the Court."

A farmer, bitterly irate over the alleged tie-up of farm produce by the longshoremen's strike: "I guess our last defense is gone, now that Roosevelt is going to take over the Supreme Court. The only thing for the real Americans to do is arm themselves to protect their homes. I'm teaching my boys to shoot straight and fast."

Elderly lady: "The founders of our country knew what they were doing when they provided for nine judges. If nine judges were enough for George Washington, they should be enough for President Roosevelt. I don't see why he needs fifteen."

Young man with union button: "I'll be for the bill if the President promises he won't appoint any more lawyers to the Court. The lawyers are the ones who have wrecked everything for the common people. If I had my way, no lawyer could be a judge, a Senator, or a Congressman."

And on and on . . .

Two Fallacies

Not by any means were all the people I talked with as apparently confused as those whose comments I have summarized briefly. But two popular fallacies seemed to have gained considerable credence. Many opponents of the President's plan claimed that the Supreme Court always had consisted of nine members, and that this number was specified in the Constitution. These people believed that the demand for a Constitutional amendment was merely for a Constitutional amendment embodying the President's plan. One of the most prevalent opinions that I encountered among rank and file citizens who were against the judicial reform bill was that the plan had to be put into effect by a Constitutional amendment because the Constitution specifies nine judges.

On the other side of the judicial fence, I heard the frequently-expressed sentiment that the Court was mean and spiteful to rule at all on New Deal measures. This faction of voters refused to believe that the Court passed only on laws brought before it in specific cases on appeal. They seemed to think that when the Court got in an arbitrary, anti-farmer mood, it swung its axe and decapitated the AAA, and when it felt belligerent toward labor, it did the same to the NRA. Many Roosevelt backers appeared to regard the Court as sort of a band of villains that followed neither rule nor procedure, and roamed the New Deal amphitheatre in search of stray laws to kill.

The Supreme Court controversy has inspired a large number of citizens to poetry. A few samples may be illuminating. Here are several stanzas from a contributor to the *Star* of West Allis, Wisconsin:

To pack our highest Court with servile tools,
Would be the work of maniacs or fools.
In neither class does Franklin D. belong,
But surely in this case he must be wrong.

The people raise their voices far and wide
Against what they declare a backward stride.
And they are right, we surely ought to pause,
Or we'll be ruled by men instead of laws.

This onslaught in rhyme did not go unchallenged. Within a few days another

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THE LID'S OFF

poetic treatise appeared in the same paper:

That with capitalist-tools the courts are packed,
Who decide for wealth is a well-known fact.
Yet when we ask for a change, we are denounced as fools,
By the capitalist press, and their hireling tools.

Workers and farmers and small home-owners I know,
The A. F. of L. and the C. I. O.
All want a change, and to prove they are right,
They are opposed by the chiseler and parasite.

What questions are asked most frequently by the people who seem to have a general understanding of the Court controversy? At various public forums held throughout the country the issue has been debated by special speakers, after which the audiences have been urged to direct questions at either lecturer. Shorthand reporters have been at some of these forums to take down the interrogations voiced most frequently. Here are a few of them:

From Persons Against the Plan

1. Why didn't the President say something about this during the campaign?
2. Is President Roosevelt sure the judges he appoints will be for the New Deal, once they are on the Court? Wilson appointed McReynolds, and Coolidge appointed Stone.
3. If President Roosevelt could carry 46 States for re-election, why can't he carry 36 States for a Constitutional amendment?
4. Do not the 17,000,000 people who voted against President Roosevelt have any rights?
5. Will not President Roosevelt set a precedent that may some day be followed by a dictatorial President like Huey Long?

From Persons For the Plan

1. Justice Roberts seems to have more power than the President of the United States. Who elected him to be our dictator?
2. If it is true that Jefferson and Lincoln denounced the Court, isn't it all right for President Roosevelt to do the same thing?
3. Why does the Supreme Court almost always throw out laws designed to help the little fellow?
4. There is a check on the President and a check on Congress, but what check is there on the Supreme Court?
5. Does government mean anything when the government is rendered powerless by a Court appointed for life, or kept in bewilderment wondering on which side Justice Roberts will flop?

These are typical questions from average, ordinary citizens who comprehend the basic issues at stake. The intelligent interrogations asked most frequently at the public forums have been largely along this line. Of course, there has been more than the usual run of such queries as "Isn't it true that the President is doing this so he can appoint his oldest son to the Court?" and "Didn't John L. Lewis get the President to propose his plan just to force the judges to uphold the Wagner Act?"

An astonishing fact is the great number of people who still seem to regard the problem as one of the age of the judges. Although this feature of the controversy is as forgotten as a wisp of smoke among the leading debaters of the issue, the voters themselves remember most vividly the first impression—that created when the President intimated men past 70 were inclined to be less efficient than in earlier years. Even as late as the sensational decision day in April, when the Court ruled on five cases involving the Wagner Act, I heard people solemnly arguing whether judges over 70 were physically and mentally able to continue on the bench. On the veranda of a farmhouse in the Northwest several men almost came to blows over the effect of age on vigor and alertness.

I found the human equation active in determining the point of view many people assumed toward the Court controversy. Numerous persons reduced the issue to their own personal perspective. Thus, for example, the young service-station operator was certain the President was right, because impressed on his mind were the infirmities and ailments of his 68-year-old uncle. I met another young man who was equally certain the President was wrong. This young man had a grandfather past 70 who was still keen and active, and could play golf in the nineties. The human equation was applied to the problem in other ways. A venerable and inveterate Wet approved the President's course because he had not yet put aside his wrath of many years before, when the Court sustained the constitutionality of the Webb-Kenyon liquor act.

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THE DARING YOUNG MAN

The general objection that I heard mentioned most often by opponents of the President was that the Court is a bulwark against hastily-conceived tyrannical majorities. Among the President's adherents, the point advanced most frequently was the claim that the Court has thwarted the will of the people as expressed at the polls. But beyond these general tenets few arguments seemed to go. I found that a relatively small number of citizens appeared to understand the expressions used by both sides of the debate. For example, in his radio address attacking the President's plan Senator Glass of Virginia referred several times to the famous case of *Marbury* v. *Madison.* The next day I discussed the speech with a group of people. Very few of them understood that this case was important because it was the first time the Supreme Court had overruled Congress. A streetcar motorman who had heard Glass's address was certain that it had been James Madison who had handed down the decision in *Marbury* v. *Madison.* Among average people—clerks, truck-drivers, business men, mechanics—I met only a small number who evidenced a knowledge of such terms as "judicial review," "interstate commerce power," "appellate jurisdiction," and "general welfare clause." Equal confusion prevailed as to the Dred Scott case. Most persons had a vague recollection of the name, having heard it mentioned in radio speeches, but relatively few knew that it had revolved around the slavery question.

The argument which seemed to be the most widely understood was Senator Norris's contention that the Court should be agreed at least seven-to-two before nullifying an act of Congress.

Opinions Everywhere

Most impressive of all was the fact that virtually everyone had an opinion on the subject. It might be a lawyer or professor who could cite dozens of cases by number, or it might be a somewhat befogged farmer in Oregon who was dead sure the President was angry at the Court because it had turned loose De Jonge, the Oregon communist—but there was no one who did not have a definite idea as to what should be done. The relatively technical details, such as judicial review and the interpretation of the general welfare clause, seemed to be generally misunderstood, but the average

person appeared to realize, at least vaguely, some of the issues at stake.

Just as many voters were possibly swayed by Roosevelt's personality or Landon's square-cut countenance, so did numerous people appear to be decided on the Court question by superficialities. Some said the Court looked so fine and dignified, and others claimed it would be a shame to upset and disgrace Chief Justice Hughes because he was such a distinguished-looking man. A few contended the Court was ashamed of what it was doing and thus decided its cases in secret, and a surprisingly large number were indignant at the Court because it had just been installed in a new $11,000,000-building. Others were disturbed that the Justices could retire on full pay, and several Townsendites said it was unfair to give the Supreme Court pensions of $20,000 each and other old people only an infinitesimal fraction of that amount. A number of farmers, irate over the AAA decision, favored a law compelling Supreme Court Justices to work a dirt farm three months out of every year. A truck driver contended if the judges could be forced to drive his truck a little while, they would never rule against labor again. A bald-headed man in the clothing business declared he was for the Supreme Court until it had upheld the Wagner act, and then he would bet his merchandise against a red nickel that the Justices had been scared into acquiescence by John L. Lewis. A logger in a fancy-plaided flannel shirt suggested that Supreme Court judges be elected every two years like Congressmen, and another working man had a better idea. He favored a statute to require the President to appoint at least one bona fide farmer and one laborer among the six new Justices. Several women social workers said it was time a woman was on the Court. A Legionnaire declared he was a New Dealer, but would not approve the Court plan unless the President promised not to appoint any foreign-born citizens. A longshoreman was especially irate over the Court's secret sessions to discuss cases. If Congress met in the open, why not the Court? he demanded. An attorney favored a law making it a felony to denounce the Supreme Court, and a buxom housewife felt sure President Roosevelt would agree not to run for a third term only if his successor would promise to appoint him Chief Justice of the Supreme Court. The present plan was a forerunner of such a scheme, she said.

There seemed to be an opinion for every member of the population. The exception was the clerk in the shoe-store who answered, "I guess the President knows more about it than I do. That's why he's President and I'm not."

English View

THE U.S.A. Supreme Court has still not pronounced judgment on the Wagner Labor Relations Act. But it has upheld the Railroad Labor Act and the revised version of the Frazier-Lemke Farm Indebtedness Act, and has also reversed its previous decision about the legality of State legislation providing for a minimum wage. This looks very much as if the Court (or perhaps merely the one member of it whose change of side was decisive) is endeavouring to shield itself from President Roosevelt's reform proposals by presenting a more liberal face to the American public. The decisions are of great importance in their special fields; and if the Labor Relations Act is also upheld, the Administration will not have much to fear from the Supreme Court in the immediate future. It is not, however, likely that the Court's change of front will cause the President to modify his plans for its reform. This week the eighty-year-old Senator Carter Glass has delivered over the wireless a positively hysterical attack upon Mr. Roosevelt, accusing him of smashing the Constitution and seeking to make himself a bureaucratic dictator. But such outbursts from the aged do not cut much ice in these days. The threat to the Supreme Court may suffice to give Mr. Roosevelt some respite from its harrying. But if the threat were withdrawn, or beaten off, it seems fairly safe to predict that Mr. Justice McReynolds and his elderly colleagues would soon be back at the old game.

The New Statesman and Nation

CHINA'S UNITED FRONT

Reconciliation is pointing the way to an internal peace and an external strength

By FREDERICK V. FIELD

A GOOD many people have come to regard the Far Eastern situation as fixed along the lines of Japanese advance and Chinese retreat. Looking on the surface of events during the last six years this seems to have been the normal course. In the face of a constantly advancing Japanese position on military, political and economic fronts, China has been steadily losing ground. Under a policy of compromise accompanied by preparation for a resistance that never materialized the Nanking Government has hardly been able to affect the rate or scope of Japanese expansion one way or the other. The most effective brake on Japanese expansion in China, when it has slowed down, has been political dissension in Tokyo. Among the Chinese the most apparent signs of activity have been internal military campaigns, Chinese fighting Chinese.

Today a temporary halt to Japan's imperialist advance has been called primarily by domestic, economic, and political conditions at home, but for the first time since 1931 a real stiffening of the Chinese Government's attitude has been an undeniable accompanying factor. And it is this stiffening on the part of Nanking that reveals openly to the casual observer what has really been working out in China for the past several years.

The conception of the Far Eastern situation as fixed, as a process of Chinese retreat before Japanese advance, is, of course, completely false. When, however, one has watched the loss of Manchuria, the setting up of the autonomous and semi-autonomous régimes in North China, the Japanese penetration of Inner Mongolia and the Peiping-Tientsin area, the signing of the Tangku and the Ho-Umetzu agreements of 1933 and 1935, the wholesale Japanese smuggling in North China, and the political activities of the invaders in Nanking and provincial capitals, it is not surprising that many have come to hold this fixed view. What they have failed to discern is the one great, dynamic force which has only just begun to break through the surface of Chinese politics, namely, the united front movement.

This is not a new movement; it dates back to the occupation of Manchuria by Japan in 1931. For several years, however, it failed to gain wide attention abroad or to be considered an important factor in the international situation because of the stern censorship and oppression under which it was operating at home. This situation is rapidly changing and the world is just beginning to view with a mixture of hope and alarm the expanding united front movement.

Our main interest in this article is to see what the united front movement in China stands for today, what it is composed of in terms of political and military force, and what chance it has of gaining dominance over the domestic political scene. To understand this a short historical account of the movement's development is needed, and this in turn must be preceded by a short note as to what the Chinese united front means.

The united front in China is not to be compared or confused with people's front movements in other countries, such as France and Spain. The united front in China is something broader. Whereas the people's front movements are coalitions of liberal groups against forces of reaction

in terms largely of domestic policies, the united front in China is a national movement seeking to embrace practically all groups from left to right within the country against the common foe of Japanese aggression. In other words, while by their very nature the people's front movements must exclude and indeed oppose the forces on the right, the Chinese movement seeks to include all factors in the Chinese situation whether radical or reactionary in terms of internal questions and to exclude only the very small minority opposed to resisting Japan or definitely pro-Japanese. In examining the growth and present position of the Chinese united front this characteristic must be kept prominently in mind.

The immediate background which called for a national united front in China was the relations of the Kuomintang and the Communist Party from 1925 to 1931. These were divided into two distinct periods. The first, from 1925 to 1927, marked the alliance of the Kuomintang and Communists in the great revolutionary effort against imperialists and their Chinese allies, the reactionary militarists, businessmen, and compradores. Though achieving lasting results, this revolutionary wave collapsed in 1927 when one of the prominent Kuomintang generals, Chiang Kai-shek, formed an alliance with Chinese bankers in Shanghai and set up a new government in Nanking which in time defeated the Kuomintang Communist government in Wuhan. This was accompanied by one of the most ruthless and wholesale campaigns of suppression of radicals that has ever taken place. The groups in the Kuomintang which had remained faithful to the old government were dissipated, and the radical elements were supposedly annihilated but actually simply forced underground.

The second period, from 1927 to 1931, marked the re-emergence of the left wing elements, principally in Fukien and Kiangsi provinces, as the Chinese Soviet movement led by the Red Armies. By the end of this period the Soviets had set up a full-fledged government which was sufficiently powerful and controlled a sufficiently large area and number of people to be characterized by the Lytton Commission, appointed by the League of Nations to investigate the Manchurian incident, as an actual rival to Chiang Kai-shek's government in Nanking.

In 1931, with the beginning of the present phase of Japanese aggression, the whole situation within China began to change. In the face of the common danger of Japanese aggression to the whole nation, the Chinese Communist Party, immediately following the Japanese occupation of Manchuria in 1931, proposed the organization of a united effort of all Chinese people for a revolutionary war of liberation. It was this move which marked the beginning of the Chinese united front movement, although it was not for several years that observers abroad began to realize the significance of the development. The implications of the Communist proposal did not come out and in fact were not clearly formulated until some time later. In the meantime the Kuomintang, now dominated by the Nanking group, continued to put its major effort on the annihilation of the Soviet movement rather than on offering resistance to Japan. While the Japanese were pressing further and further into Chinese territory, virtually the entire man power of the Chinese Government and the great bulk of its financial resources were directed against its internal enemies, a situation of which the Japanese were not slow to take advantage.

Communists Offer Cooperation

The Reds continued to issue appeals for a united front and to make what demonstrations they could of honest intentions. At the beginning of 1932, for instance, during the battle of Shanghai, Chinese Communists volunteered assistance to the famous Nineteenth Route Army. Later in April of the same year the Soviet Government of China issued a statement declaring war on Japan, and a year later a special detachment of the Chinese Red Army under

the command of General Fang Chih-ming was despatched northward to undertake an actual attack on the Japanese positions. With the capture and execution of Fang by Nanking troops this effort came to naught.

In January of 1933 in another public statement the Soviets made their position clearer. They declared themselves ready to enter into agreements with any army to fight the Japanese under three conditions: cessation of civil war against the Red Armies, the granting of democratic rights to the Chinese people, and the arming of the entire nation for the anti-Japanese war. This offer was repeated four months later and remains to this day the essential basis of the Communist Party's position.

The first actual agreement in accord with the united front proposals between the Communists and a Kuomintang army was made in the fall of 1933 between the Red Armies in Fukien and Kiangsi and the Nineteenth Route Army of Shanghai fame, which for political reasons had been banished to Fukien province and commanded to fight the Communists. The rank and file and leadership of the Nineteenth Route Army, fresh from their struggle against the Japanese, were in no mood to fight their own people, Communists or not, and readily supported the united front position. The alliance, which as a matter of fact did not work very smoothly because of strategic military errors, was quickly suppressed by an overwhelming force from Nanking.

Nevertheless, by this time the united front had been sufficiently dramatized and publicized to win the support of other groups in the country. In August 1934 a document entitled "The Basic Program of the Chinese People in a War Against Japan," signed by Mme. Sun Yat-sen and over three thousand prominent persons from all walks of life, was issued. It called for the arming of the whole population and mobilization of all resources of the nation for a determined struggle against Japanese invasion. It marked the rising tide of the anti-Japanese movement and proved a further stimulus to its expansion.

Pictures

***RELICS:** Gruesome warnings against Communism were left behind by groups of "Red" raiders in the Southern Kiangsi Province of China. Recent developments, however, indicate a rapprochement with the Communists for purposes of a united front.*

The most elaborate descriptions of the united front movement in China to date were a series of speeches and articles made by Wang Ming in connection with the seventh congress of the Comintern, held in Moscow in the summer of 1935. These provide important documentation for any student of the development of this movement which has now become such an important factor in the Far Eastern situation. Shortly thereafter another important declaration was made by the Communist Party of China in a manifesto making a very broad appeal to "Chinese men and women in all walks of life" to resist Japanese invasion and fight for the recovery of lost territories. This declaration also proposed the formation of a National Defense Government for the period of crisis, and a united anti-Japanese army.

Although a good deal of the literature which has become available on this developing movement is from Communist sources, it must not be thought that the initiative and stimulus came entirely from this group. On the contrary, many other groups in China, including an increasing faction of the Kuomintang and more and more of the progressive intellectuals, gave such support and took such measures in support of it as they were able to in the face of dictatorial suppression from Nanking. It had already become evident in 1935 that the political base of the Nanking Government was gradually becoming narrowed as more and more pressure was brought to bear in favor of immediate resistance to the Japanese on the part of all patriotic elements. In the latter part of that year perhaps the most dramatic of all the steps towards a united front was taken by Chinese college and university students who braved imprisonment and worse to carry out mass demonstrations in favor of united resistance to Japan.

While these developments had been taking place the anti-Communist campaigns of the Nanking government had continued unrelentlessly with the result, among others, of providing the opposition with appealing slogans against Chinese fighting Chinese. Partly as a result of the overwhelming military force of Nanking including the generous use of foreign bombers, and a well organized economic blockade of the central Soviet positions and partly because the Reds saw a golden opportunity of further dramatizing the united front movement by shifting their main strength to the north, the Soviet position in Kiangsi and Fukien was evacuated in the winter of 1934–35. At that time the famous trek of the Red Armies across the whole of southern China and northward through the length of Szechuan and across Kansu to northern Shensi was undertaken. With the entrenchment of the Soviet movement in China's northwest during the latter part of 1935 and during 1936 the present phase of the united front movement began.

It is not necessary to describe in detail the growing strength of the united front movement during those months. It is enough to repeat that persistent pressure from virtually all except the most reactionary elements were beginning to have marked effect on Nanking's policies and were beginning seriously to worry the Japanese. It will be recalled that it was during this period that Hirota took such a firm stand against the Red "menace" and began to negotiate the alliance with Germany.

In the Northwest the new Communist areas were adjacent and indeed overlapped those controlled by the Kuomintang's Northeastern Army under the command of Marshal Chang Hsueh-liang. This army had formerly been in Manchuria and had retreated before the Japanese occupation in 1931 under orders from Nanking. It was no secret that their resentment was deep, and consequently it was no surprise to learn towards the latter part of 1936 that they had been greatly influenced by the Red Army's united front appeal. The Nineteenth Route Army, which as we have seen in 1933 had actually formed a united front with the Red Armies, had in the meantime, though partly dispersed, drifted across to Kwangsi province where they strengthened the already anti-Japanese attitude of the provincial leaders, Generals Li and Pai. In June of 1936 the provinces of Kwangtung and Kwangsi staged their rebellion against Nanking for the publicized purpose of forcing the latter to resist Japan. The Kwangtung end of it collapsed, and the province was taken over by Nanking people. But in Kwangsi the revolt continued. It was finally settled amicably, and the fact that it was so settled was the first conspicuous indication that the united front appeal for the cessation of civil warfare had taken such effect throughout the country that Nanking could no longer afford to follow its usual practice of suppression by force. This was a move of great importance in Chinese history. Throughout the country there had been such an outcry against Chinese fighting Chinese that the government could no

longer risk suppressing rebellions with its powerful armies.

The Sian Revolt

We come now to the Sian revolt of December last, during which Chiang Kai-shek was detained for two weeks by the leaders of the northeastern armies. While this was distinctly not a direct move on the part of the united front, it was nevertheless associated with it; it was a blind alley which led out from it. The Sian coup represented a struggle within the Kuomintang itself on the question of uniting all elements to resist Japan. It represented the final desperate attempt of the Northeastern Armies' leaders to gain the ear of Chiang Kai-shek after repeated attempts to accomplish the same thing by regular means had proved futile. We know now that during his detention Chiang Kai-shek listened for hours and hours to the arguments of his own subordinates in the Kuomintang who insisted on the Government's altering its policies. Marshal Chang Hsueh-liang presented the following eight proposals to Chiang Kai-shek and tried to insist on his supporting them personally and presenting them officially as his program to the forthcoming meeting of the Central Executive Committee of the Kuomintang which was to take place in Nanking: (1) reorganization of the Nanking Government and admission of all parties and cliques to shoulder the responsibility of national salvation; (2) cessation of civil warfare; (3) immediate release of the leaders of patriotic bodies arrested in Shanghai; (4) release of all political offenders through the country; (5) safeguarding the freedom of the people in holding meetings and organizing associations; (6) emancipation of the patriotic movement of the masses; (7) faithful observance of the Last Will of Dr. Sun Yat-sen; (8) immediate convocation of a National Salvation conference.

As things developed Chiang Kai-shek probably agreed to nothing formally; at least he so reported to the Kuomintang, and in passing on to them these eight points he dissociated himself from them. Nevertheless, there can be no doubt that he was strongly impressed with the growing strength of the opposition within his own organization. He was not further coerced and was finally safely returned to Nanking, largely it appears because three or four days after his detention in Sian Communist leaders brought great pressure to bear on the Northeastern Army generals against the move they had made. The Communists, whose first tenet was the cessation of civil warfare, saw in this Sian coup its obvious stimulation. There is strong evidence to believe that they did everything in their power to bring about a collapse of the misguided political procedure which the Northeastern Armies had adopted.

On February 15 the plenary meeting of the Central Executive Committee of the Kuomintang began at Nanking. Its members had received five days before a telegram from the Chinese Communist Party wherein the Communists again declared alterations in their own policies, some of which they had in fact been carrying out for more than a year. These were: (1) a cessation of civil warfare against Nanking armies except in defense; (2) agreeing to change the Soviet Government into the Government of the Special Region of the Republic of China, and the Red Army into the National Revolutionary Army under the direct leadership of the Central Government and the Military Affairs Commission in Nanking; (3) enforcement of a thorough democratic system of universal suffrage within the areas under the jurisdiction of the above Government of the Special Region; (4) cessation of the policy of expropriating the property of landlords. In the telegram the Communists then appealed for Kuomintang approval on the following five point program: (1) suspension of civil wars of all sorts and concentration of the national strength for united resistance to external aggression; (2) freedom of speech, assembly and organization, and release of all political prisoners; (3) convocation of a congress of all parties, military groups and organizations in order to select leaders capable of carry-

ing out the salvation of the country; (4) immediate accomplishment of the preparatory work for a war of resistance against Japan; (5) amelioration of the living conditions of the people at large.

As no comprehensive reports of the proceedings of the Kuomintang Executive Committee meeting have been made public, one cannot say precisely what disposition was made of this message from the Communist Party. It is known that the eight demands presented to Chiang Kai-shek by the leaders in Sian were flatly rejected on the grounds that because of the illegal way in which they were presented they could not be considered. It has also been reported, however, that rather similar demands were presented to the Kuomintang Executive Committee in the proper legal way by Kwangsi province and that these were accepted. As the Kwangsi demands included the united front resistance to the Japanese, the adoption of universal training for military service, the abolition of censorship over newspapers, the release of political prisoners and the calling of a national conference embracing representatives of all elements in the population to consider an outright program of war against Japan for the recovery of lost territories, their acceptance would seem to have accomplished precisely what the Sian group had urged. If this is true, and nothing has appeared to contradict it, a very great step forward was taken towards the united front program.

Future Possibilities

It will be noticed, however, that no specific mention is made of arranging an amnesty between the Kuomintang and the Communist Party, and in view of the widely accepted belief that no resistance against Japan can be undertaken until such an amnesty is effected, it is clear that the united front is still in the process of negotiation. It has definitely not been completed.

With respect to the Communists, the Kuomintang Executive Committee made public a resolution listing four major conditions under which the Central authorities would be prepared to effect a reconciliation with the Reds. These four conditions are: first, abolition of the Red Army and its incorporation into the nation's armed forces under unified command; second, unification of government power in the hands of the Central Government and dissolution of the so-called Chinese Soviet Republic and other organizations detrimental to governmental unity; third, absolute cessation of Communist propaganda; and fourth, stoppage of the class struggle.

The interesting thing about this resolution is to compare it with the others made by the Chinese Communist Party in the telegram to the Central Executive Committee described above. It would seem that all four of the Kuomintang's conditions for negotiating with the Communists had already been met by the latter. This suggests that while the Kuomintang is not yet prepared to accept publicly the new situation, it is nevertheless by indirection leaving the way wide open for united front negotiations.

The national united front in China, though not completed, is apparently being formed. Its significance in terms of international relations is well-nigh immeasurable. It points the way to actual Chinese unity, to a frustration of Japanese imperialism in the China direction, to the democratization of China and the improved welfare of the people which would inevitably accompany it, and to the establishment of a Chinese nation able to deal with foreign countries in terms of equality.

NEW DEAL: FRENCH STYLE

Premier Blum's first anniversary finds the nation well along the recovery road

By NORTON WEBB

THE extra-conservative French today find themselves in a whirlpool of economic and financial reforms striking at the roots of their centuries-old social fabric. The coalition of Leftists known as the Popular Front, elected by the largest popular majority in the annals of the French Parliamentary system and headed by that outstanding Socialist figure, Léon Blum, completes a year in office this June.

The guiding genius and vitality of France's New Deal are easily seen as emanating from the remarkable character of Premier Blum, the first Socialist in French history to hold that post. M. Blum is all of a one-man brain trust. He has a brilliant mind, seasoned political experience and unusual psychological understanding of not only the French themselves but of all European life. He is a man of letters, a deep social student. During the many years he was leader of the Socialists in Parliament, Premier Blum also edited the daily Socialist newspaper, *Le Populaire*. His equipment to be Premier of the French is both exceptional and fitting.

The Blum record is admitted by even the most conservative sections of French life to have been the most active in half a century and maybe in all French history. By all precedents M. Blum's cabinet should have already tumbled and one or two others succeeded it. But a sudden trend to stability has developed. This shift is attributed among other things to M. Blum's success in keeping all the troops of the Popular Front under the one banner and the impression made on Popular Front leaders by the New Deal in America. Premier Blum's procedure is often likened to that of President Roosevelt; other qualified spokesmen say M. Blum also keeps a weather eye on the British way of doing things, accepting advice from them at times, especially in money matters.

But if this comparison holds in some ways, it does not in many others. The French are vastly different in character from Americans or British and their political set-up peculiarly their own. In a relatively restricted area of Europe they carry on with a system of government still highly centralized in Paris. A salient point to be kept in mind when appraising France's present changes is that the imprint of the Revolution of 1789 is still very strong on French thought.

"By an immense majority," said Premier Blum in a notable speech last September dealing with France's position in relation to democracy and world peace, "France remains attached with passionate thought to the memories and traditions of the French Revolution." These are words that speak the mind of the French masses and workers and in whose ears they always have a vibrantly fresh sound.

The most salient ideology on which these "memories and traditions" repose is probably that before the Revolution, the king, nobility and high clergy, considered it their absolute right alone to govern France. The Revolution turned the tables and affirmed that sovereignty came from the people—from below and not above. This, incidentally, is the origin of Right and Left in France and also of the class struggle now still on in the Republic and evident in the French New Deal. On the Right today are the remnants of the nobility straddling big estates, the patronal or

employers' hierarchies, high permanent government officials bolstered by strong tradition, organized capital, the *salons* (political forums of high French society) —they are the influential minority. On the Left are the working masses, small *bourgeois*, shopkeepers, small farmers, artisans, and all elements designated by the French as the "smalls" who oppose the privileges of the "bigs" or Right.

The Popular Front Government is thus spurred on by the Revolutionary tradition that not only political but economic power must rest with the people and not just a few industrial and financial hierarchies. The men in the Blum cabinet come from the three largest and most popular parties in France: Radical-Socialists, French Section of the Socialist Party, and French Communists. All are essentially proletarian parties and unrepresentative of the high *bourgeoisie* and propertied classes of the Right who control most of French industry and finance and who, incidentally, hastily withdrew into isolation to do some watchful waiting as soon as Premier Blum came into power. To them the present government is anathema, a Leftist, socially flavored combination whose aims are to overthrow capital by gradual, confiscatory methods.

The Blum Program

Social, economic, and financial reforms went through with such speed right after the advent of the Blum Government that the whole nation was startled. A ferment began that continues today and will go on for some time. The legislative period of the Blum cabinet was from June 1936 to January 1937. The most important laws were voted in the first two months of its office. The fast pace can be judged by the fact that some 70 laws were enacted in these two months, measures that have undoubtedly laid the foundation for a revivified French economy. They included: a forty-hour working week; compulsory annual paid vacations of not less than 15 days for all workers; collective bargaining agreements for labor; abolition of the Laval decrees calling for levies on salaries, pensions, etc., of civil servants, war veterans and others; nationalization of the arms industry; creation of a National Wheat Office to fix prices and enact other measures.

Other important acts affecting French economy were: inauguration of a public works program; credit insurance for commerce and industry; reorganization of the coal market; decrease of the debt load on business and farmers; reform of social insurance.

The increase in cost to the state and large enterprises resulting from this was put at 4 billion francs. The emulation of America's New Deal is seen here in that the Blum program rested largely on credit inflation and generous government spending.

A wave of sitdown strikes accompanied the initial bow of the Blum Government. These were widespread and vigorous from June to September, last year, and met with unprecedented and complete success. In this short time, French workers, supported by a sympathetic government, won for themselves long overdue betterment of their living standards. After September the French strike impulse kept in a lively simmer and abated somewhat the first of this year when compulsory arbitration became a law. Sporadic outbreaks still continue, with French workers by no means yet resigned to their present lot. The early and intense strike period last year saw the ranks of organized French labor grow mushroom fashion. The *Confédération Générale du Travail* (French Federation of Labor) saw its membership jump from less than one million to over five million, a fact that has led many to say no party can govern in France today without the support of the C. G. T. Theoretically, the French labor unions have no political affiliations, but their most influential chiefs are Socialists or Communists or at least so-called radicals.

Under the impulsion of labor's big *putsch*, the Blum government developed speed and power in legislating its program

Black Star

***FRENCH POPULAR FRONT**: Grouped around the statue of Beaumarchais, famous French writer who was active on behalf of the colonies in the American Revolution, these Parisians hail the elections assuring victory for the People's coalition.*

through Parliament. The effect was like a big river long dammed suddenly crashing through its obstructions. The objectives were similar to that of the Roosevelt New Deal—improvement of the lot of people below, not above, or the "haves." Parliament rushed most of the bills so fast that the criticism is made they were not properly "digested", that the legislative shoved tasks it should have performed itself off on to the executive.

The forward surge of the French workers and masses must have been powerful, or nothing like the reform of the influential Bank of France and taking its over one-hundred-year control out of the hands of 200 oligarchic families could have been achieved. This reform was swiftly put into law on July 25, 1936. It revamped the Bank's status so all classes of French economic life would have representation on its governing body with the government

ılding most of the appointee power, the ılance being with stockholders.

In selecting a Finance Minister, M. Blum ose one of his closest associates in the ıcialist Party, M. Vincent Auriol, a keen pert in money matters. M. Auriol found e French Treasury practically empty ıen he started. His bold initiative and genuity got right to work. He reduced e legal limit of ordinary Treasury bonds om 21 to 20 billion francs, made an reement with the Bank of France to re- scount 14 billion francs of such bonds. ıe state by this regained a 10 billion franc ırgin for further bond issues, the other billion francs going to repay a 3 billion ınc loan made in London and 1 billion r lowering the bond issue limit. M. Auriol rther got a fresh credit for the state from e Bank of 10 billion francs, thus allow- g the Government two new credits of billion francs each. On many sides the y of inflation was raised about these op- ıtions. They are cited as examples of e trend of the Popular Front's financial ethods.

The devaluation of the franc was accom- ished with the same suddenness and speed, .er a special Parliamentary session, lled on September 25, 1936, by M. Blum. became legal five days later. Frenchmen erywhere gasped. Anything affecting the cketbook always produces violent jitters th them. Hope that it would better ench economic conditions, however, was e basis of its acceptance by most of the untry. The franc's revaluation netted profit of some 17 billion francs for the ıvernment, 10 billions of which went to eate an Exchange Stabilization Fund nilar to that in the United States and eat Britain, the remainder going into e French Treasury. With this step came e important tri-power monetary accord in ıich the French now put hopes for conomic disarmament" and permanent bilization.

All sails set to the wind was again emier Blum's order when the French rliament met on November 5. More orms were shoved through, including compulsory arbitration of all labor dis- putes, which the French Government now claims has already accomplished much. Reform of the French fiscal system was also voted by the Chamber of Deputies and the 1937 ordinary budget passed, although with a deficit of between 3 and 5 billion francs. This problem is increased by an "extra" budget with items for national defense, civil works, pension fund, and railroad deficit. The "extra" budget's shortage was put at between 16 and 23 billions.

The financial tangle faced by the Blum cabinet was made more serious still by a shortage of nearly 1 billion francs in anticipated tax returns at the end of the year 1936. This spring has seen a break in this, however, with tax receipts now re- ported on the increase.

One of the biggest disturbers of France's New Deal has been the persistent rise in French prices. Wholesale and retail in- dexes showed an unabated climb that started some months even before the Popular Front came into power. Agitation by French workers because of this grew acute the first of this year as they saw the price rise threatening nullification of their new gains. M. Blum has in turn threatened new laws to control prices if ordinary ways fail to remedy the situation.

Faced with an empty Treasury again at the end of 1936 and stubborn non-coopera- tion on the part of French capital that effectively blocked success in floating home loans, Finance Minister Auriol again turned to London for funds to prevent a threatened drop in the franc which was being widely publicized at the time. The British, on January 29, 1937, advanced $250,000,000, the French pledging their railroads as security. This eased things for the moment, but the Premier saw that a continuation of the upturn in business that had begun in October was the one, vital needful thing to restore confidence in the franc and bring back the huge sums of gold that had been filtering out of the country to the United States and England.

To do this Premier Blum launched out

towards Germany. Talk of a Franco-German economic rapprochement began to be heard. A good trade agreement between the two might mean Europe's brightest year since the war. In the middle of last January soundings with Hitler were taken, and parleys proceeded. On January 24 at Lyons, M. Blum made his famous speech offering the Germans an economic olive branch; if the Germans would take part in a general European settlement including arms limitation, France stood ready to help them economically. The Premier also reiterated his known conviction that world political peace must come largely from economic and financial improvement. Statements by both the Premier and Finance Minister Auriol showed they held the basis of this policy was economic cooperation with Germany and enlargement and solidification of the good work begun by the monetary accord between the three big world democracies—the United States, Great Britain, and their own country. A freer flow of international exchanges is, in fact, a main point in the Popular Front platform.

M. Blum's offer to Germany and the appointment of an outstanding French statesman, economic and financial expert like M. Georges Bonnet, as Ambassador at Washington, were steps in this plan.

Not receiving much response from his offer to the Germans and M. Bonnet's mission in Washington bearing no immediate fruit, primarily because of an inability to settle war debts, Premier Blum again gave his attention to the home situation. On February 4 the French Chamber by 405 to 186 voted a vast French rearmament program to cost 19 billion francs. How the money was to be raised was not stipulated and evidently something of a puzzle, as the next day M. Auriol announced that the French Treasury needed 35 billion francs. The monetary problem of the Popular Front was again acute and the Right opposition led by M. Paul Reynaud in the Chamber seized occasion to violently attack its financial policies as ruinous to France. At the same time M. Charles Rist, France's most distinguished financial expert, said, as director of the Institute for Economic Research, that the French price rise was still serious.

Breathing Spell

It was then that Premier Blum made his first public statement about a pause or breathing spell for the nation before pushing his program further. He called for a pause in public expenditures, pause in the price rise, and consolidation of gains won so far. He specially appealed to the masses and workers not to press their demands momentarily and to work together for increased production. This swing to conservatism brought on a rain of violent criticism from the Front's extreme Left, who accused M. Blum of shelving the whole program of reforms. This was promptly denied by the Premier, who maintained that the "pause" was the only way of dealing with the dangerous rise in prices. But the serious Treasury situation must have also been in his mind, as a few days later, on March 5, he announced the official start of the breathing spell and the opening, the following week, of a big loan for national defense.

Without doubt the Blum cabinet staked the existence of the French New Deal on the success or failure of this loan. A final bid to sulking French capital was made to desist from its non-cooperative policy. To secure its participation, M. Blum announced a switch to a new, liberal financial policy. The ban on gold, in effect since the passing of the devaluation law, was lifted. Effective March 8, the free import and trade in gold in the home market would be allowed. Further, M. Blum appointed a special committee composed of the noted Charles Rist, E. Labeyrie, head of the Bank of France, and Paul Bauduin and Jacques Rueff, widely-known money experts. They were to manage the Exchange Equalization Fund, give security to business, stabilize prices, and survey the government security market. The Blum cabinet likewise stated that the budgetary deficit would be definitely tackled, govern-

ment departments were ordered to make drastic economy cuts, government spending was to cease, and the Treasury's needs reduced by 6 billion francs. With such promises every Frenchman, high or low, was expected to do his duty in the face of "this grave financial crisis." The challenge M. Blum thus threw to French capital was, "Here's your last chance."

The whole tactics of this loan, the appeal to French patriotism for national defense and demonstration that what the Right called a Left Socialistic Government could mold itself to the times and the demands of French good sense, almost compelled backing from the conservative President of the French Republic, M. Albert Lebrun, and all leading French political leaders including M. Jeanneney, President of the Senate, M. Herriot, the influential Radical, and others. On the eve of the loan's issue, President Lebrun broadcast a radio appeal to the French nation to subscribe and pleaded for a truce among Frenchmen during this year's Paris Exposition, so that visitors would not be dissuaded from coming because of class or other strife. The patriotic aspect of the loan as a necessity for national defense in face of a rearmed Europe obliged Parliament to vote its legality almost unanimously.

M. Blum's keen strategy proved accurate. The success of the loan was overwhelming. The first issue of 5 billion francs was oversubscribed in a few hours on March 12; the second issue, on March 16, of 3 billion, had the same response. The Government, it was held, could have obtained twice as much had it called for it. About 2½ billion francs of the loan was subscribed from foreign countries. The major feather in Premier Blum's hat was that he had at last ended non-cooperation by French capital by his brilliant stroke and forced it, however grudgingly, to participate in carrying on the Popular Front Government.

French recovery has been hampered because, like its prototype in America, the French New Deal in its first stages emphasized reform. This problem now seems overcome as French industrialists are now admitting their profits instead of lamenting stagnation. Adjustment of speedy reform with quick recovery has been greatly helped by M. Blum's breathing spell and his evident intention to apply his reforms more in line with the law as difficulties decrease.

All this does not mean that Rightist French industry and finance are acquiescing lamely in the Blum program. The first months of the wave of reform and strikes were so potent that no Frenchman, however deep-dyed Tory, would have dared resist the immense popular pressure. Past months have, however, seen influential French capitalists and employers stiffening in their resistance. They are now preparing to strengthen their opposition with the help of powerful organizations such as the General Confederation of French Production and the Confederation of (High) French Employers and to combat what they see as the approaching socialization of France's whole economy.

Politically, M. Blum has so far solved many difficulties. He has survived the onslaught of the Right and extreme Left which include his Communist allies in the Popular Front. The Moscow trials helped to weaken the Communist power in France, while M. Blum's economic and foreign policies have been found acceptable to the influential Radical-Socialist Party that claims to carry on the fight for the rights of the common man initiated by the French Revolution.

As the strong upheaval of public sentiment that supported the Popular Front's first moves has largely spent itself, and most Frenchmen believe the Blum reforms have laid a sufficient base for a reshaped French structure more in keeping with the times, the test now ahead lies in the ability of the French Socialist Premier and his colleagues to consolidate the gains they have won and which they say they are now trying to do. All of M. Blum's keen ingenuity and nimble statesmanship will be needed to do this, specially to stay in power for the two years he himself has said are needed to make good the French New Deal's program.

North Europe's War Rehearsal?

Reported Russian and German military maneuvers alarm Scandinavian nations

By JOACHIM JOESTEN

STRANGE things are going on in the Highest North. If only one-tenth of the sensational reports are true, Europe's "quietest corner" today may be close to war.

Soviet Russia and Germany, a good many people contend, will never be able to go to war because they have no common frontier. History dealt this argument its first blow when Russian and German airplanes clashed over the roofs of Madrid. Another surprise may be coming—probably not too far off—in the discovery that the two Powers have chosen the *North Cape* for their next battle-field.

For the time being, both parties content themselves with training their airmen and sailors for the coming fight in the Arctic. Frequently during recent months, Russian and German warships (submarines, torpedo-boats, and destroyers) have been observed maneuvering off the North-Norwegian coast, particularly around Lofoten Islands, and near Tromsö. Concurrently the much talked-of "phantom-flyer" materialized into very real, presumably Russian, airplanes, many of which have been reported, of late, over various points of Lapland and duly chronicled by the general staffs of Norway, Sweden and Finland. (Recently, General *Erichsen*, chief of the sixth division at Harstad, Norway, emphatically confirmed the reality of continual foreign air raids over the country.) Secret radio signals intercepted by the military authorities of the three countries complete the picture of intense military activity in the High North.

If there was any doubt as to the seriousness of the situation, the German War Minister and Commander-in-Chief personally took care to dissipate it. A few weeks ago, General von Blomberg performed on board the Führer's own yacht *Grille* an extensive tour of inspection along Norway's northernmost coastline. *Aftenposten*—the biggest Oslo daily—which related the event at length in its issue of October 16, made no bones about the true significance of that strange excursion. In visiting, as he did, such remote places as Tromsö, Hammerfest, and the isle of Masöy (at a few miles' distance from the Cape) Hitler's field-marshal could have had in view but one thing: to seek potential bases for German naval and air operation in the Arctic Ocean.

The German Press, daily inspired by official instructions, has been unusually zealous these last months and weeks denouncing alleged Soviet plots against Scandinavia. Moscow, we are being told in full earnest, is burning to invade Northern Europe. In the hopeless attempt to accredit that story outside Germany, *Völkischer Beobachter*, *Berliner Börsenzeitung*, *Lokal-Anzeiger* and other Nazi dailies have combined their resonant attacks with the more subtle demonstrations of the scientific mind in *Zeitschrift für Geopolitik*, *Osteuropa* and other distinguished reviews. In a sensational article denouncing the "black clouds over Northern Europe," Herr Goebbels' own paper directly summoned the four Nordic governments to pay proper heed to the "red lightning" over their heads. Three hundred Russian airplanes, *Der Angriff* yelled in despair, were stationed along the Carelian frontier, ready to swarm, at a moment's notice, into peaceful Scandinavia which, as General Haushofer recently put

it in the Nazi review, *Volk und Reich*, "positively calls for the thief by its sonorous snoring."

In contrast with the more reserved attitude of the Norwegian Press many Finnish and not a few Swedish dailies, headed by the two Stockholm evening papers *Nya Daligt Allehanda* and *Aftonbladet* joined with fervor in this Soviet scare campaign directed by Berlin. Although only a very slight portion of the Scandinavian public actually yields to such blatant propaganda, this state of affairs is of deep concern to thinking people in the North. Sweden in particular remembers with a shudder how exactly the same sort of vicious Russophobe propaganda inspired by Germany brought her, on the eve of the World War, within an inch of armed Russian intervention. Germany's present policy obviously tends to attain now what in 1914, thanks to the prudence of the Swedish government, had failed: to work up, by means of a vast campaign of deliberately false news, such mutual distrust between Moscow and Stockholm as would bring the latter, at the hour of crisis, into line with Berlin. There is probably no more chance now than 22 years ago that the Swedish government would allow itself to be maneuvered into a war against Russia, but the situation is fraught with risks. The Swedish military, in particular, have a marked pro-German bent and their influence upon the country's management was considerably increased by the recent rearmament vote of the *Riksdag*. An incident, skilfully arranged to rouse public opinion might, in Sweden as anywhere else, prove sufficient to overcome the country's sincere desire for peace and neutrality.

"Phantom-Flyers"

If Moscow's supposed schemes against Scandinavia are a myth, her war readiness in the Arctic is not. The "phantom-flyers" are good Russian airplanes and they mean business as much as General von Blomberg did. The leading Oslo paper *Tidens Tegn* very adequately described the situation when it wrote that "these Russian air raids into North-Norway are not in the first line aimed at our country. *They are primarily exercises intended to hit enemy warships off Norway's coast.*"

But why, one might ask, should Germany and Russia think of waging war in this god-forsaken area? There is not only one, but two imperative reasons, each of which would suffice alone to account for a serious struggle. First, there is the problem of Soviet Russia's sea communications in the West. Montreux did away with the unlimited freedom of the Dardanelles making thereby the Black Sea a problematic asset in times of war. Nor is Russia sure to retain her liberty of movement in the Baltic.

For a long time, and particularly since 1935, Germany has been intriguing for the refortification of the Aland Isles (at the entrance of the Gulf of Bothnia), which are demilitarized under the International Convention of 1922. A first step in this direction has already been taken by the Finnish authorities, for it is an open secret that the newly-built airdrome at Mariehamn, head town of the archipelago, serves primarily strategic, not commercial purposes. German capital and German engineers played a leading role in this construction. With Aland refortified and a sympathetic government at Helsinki—not a very unlikely assumption—it would be an easy matter for Hitler's Navy and Aircraft to bottle up the Red Fleet in the Gulf of Finland. But even if this well-prepared scheme should fail, Germany would still retain control of the Belts and the Sound. Her means of pressure on Denmark are such that in the event of war no Russian ship could hope any longer to be allowed free passage through these waterways. Already Germany's ships and airplanes are maneuvering in the Danish waters and air in a way that leaves no room for doubt about her real intentions. To note just one example: Recently, a whole squadron of ten German planes flew quietly into South-Jutland, up to the Little Belt Bridge and back to Germany via Fünen. According to Danish military experts, the meaning of this amazing air-raid performed in flagrant violation

of Denmark's rights, was to escort an imaginary German fleet advancing through the Little Belt. The incident gives a good idea of what would become of Denmark's neutrality in the event of war.

Russia no longer counts upon either the Black Sea or the Baltic as secure assets in a coming war. For several years her eyes have been turned towards the Arctic Ocean. Here too, on the peninsula of Kola, are located the only two ports of the gigantic empire which remain open all the year round: Alexandrovsk (Poljarnoe) and Murmansk. A center of the greatest commercial and strategic importance has grown during the last decade or so out of what had been in Czarist times a bunch of half-forgotten, ill-conditioned villages.

Murmansk, still in 1925 a small town of two and one-half thousand inhabitants, is now an industrious city of one hundred thousand population, connected with Leningrad by a double-track railway which is said to be one of the best in the Soviet Union. Twenty-five torpedo-boats and 15 submarines, in addition to important air forces, are permanently stationed in port Alexandrovsk.

The full importance of these Arctic strongholds, which the Soviets have done their utmost to develop and fortify, became evident after the completion of the "Stalin canal" in 1933. Already the Soviet Admiralty is in a position to move minor warships (submarines, torpedo-boats etc.) from their Baltic bases to the Arctic and vice-versa, without leaving Russian territory. Once the reconstruction of the "Maria Canal" (between Lake Onega and the Neva) is finished, it will be possible to shift even cruisers through the vast system of canals, lakes, and rivers extending from Leningrad to the White Sea.

To make the blockade of Soviet Russia complete on the Western front Germany would be compelled, therefore, to send a fleet up to the High North with a view to intercepting the Arctic communication between Russia and the Occident somewhere near the North-Cape, and possibly to attack the naval and air bases on the Murman coast. The chances of success in such an enterprise would certainly be exceedingly small, unless the German fleet were able to operate from bases on the coast of North-Norway. That Berlin is attentive to the problem and makes preparations in good time is a fact strikingly illustrated by the voyage of General von Blomberg.

Germany and Ore

There is, on the other hand, the question of Germany's supply of Swedish iron-ore. This is, perhaps, the most vital point of Hitler's present war readiness and it deserves therefore special attention. In 1935, Germany imported 14 million tons of iron-ore (against 8.2 million in 1934), while the output of her own soil amounted to only 5 million tons. By far the most important suppliers of iron-ore to the Reich are France with 5.8 million tons in 1935 and Sweden with 5.5 million tons in the same year.

Quantitatively, then, the Swedish shipments to Germany have been slightly inferior, last year, to the amount of French iron-ore exported to that country. In value, however, the relation is quite different. In point of fact, the bulk of the ore which Germany receives from France is represented by the low-grade Lorraine "minette" (33 per cent of iron), while Sweden ships to the Reich the choice of her mineral wealth: the high-grade ore from the Lapland mines (60 to 70 percent of iron). Accordingly, the German cast and steel production was dependent, in 1935, upon Sweden for about 54 per cent of its import needs and for little more than 25 per cent on France.

But that is not all. While the French "minette" primarily feeds the more inoffensive Saar industry, the big munitions factories of the Rhine-and-Ruhr basin use almost exclusively Swedish iron-ore. The dependence of Germany's armaments industry upon the supplies from Sweden is still enhanced by the fact that any large scale shift from the highly phosphorous Lapland ore now in use there to other minerals

would necessitate very expensive changes in the existing plants, which Germany hardly could afford now.

Germany's imports of Swedish iron-ore have showed a marked increase. Until November 30, 1936, the Grängesberg shipping company (which handles 80 to 90 per cent of the total iron-ore exports from Sweden) had shipped 8,761,000 tons against 5,602,000 in 1935 for the same period. For the whole year of 1932, before Hitler started the world armaments boom, the Grängesberg shipments had totalled no more than two million tons! Roughly nine-tenths of the Grängesberg shippings are designed for the German industry.

The chief mining centers in Lapland, Kiruna and Gällivare (Malmberget) are both located near the Northern frontier of Sweden. They are therefore within easy reach of the Soviet air bases lining the Carelia frontier to Finland. Likewise, the chief export harbor for this ore, Narvik in Norway (one of the places visited by General von Blomberg), could easily be blockaded by the Red Fleet stationed at Murmansk and Alexandrovsk. Nor is the second export center for the Lapland ore, Port Lulea on the Gulf of Bothnia quite secure against possible Soviet attacks.

Considering these factors, in the event of war, both Germany and Russia will be in a position to strike a fatal blow at each other in the Arctic; the first by throttling the last free waterway of the U.S.S.R. on the Western front; the latter by cutting off the German war industry from its essential source of supplies. Success will probably lie with the Power that strikes first and is prepared to trespass most unscrupulously on the rights of the small neutral countries involved. Which one that will be only the future can decide.

That the Russian "phantom-flyers" over Lapland are training for a possible destructive attack on the Swedish iron-ore mines, and that the Soviet and German ships operating off Narvik and Tromsö really are rehearsing for the future blockade and disengagement of the ore traffic to Germany is as sure as the military significance of von Blomberg's trip to the North. That is, at any rate, the prevalent opinion in Scandinavia, though the whole matter is not, of course, discussed in public and the utmost reserve is still maintained in official circles.

After all, "Der Angriff" was pretty right when it denounced the black clouds over Northern Europe; but it remains to be seen whether the lightning that obviously is going to strike Finland, Sweden, and Norway will be "red" or "brown," or—probably—both colors.

Einstein on Spanish Issue

IN reply to a correspondent who asked his view of the British and French attitude towards the Spanish rebellion, Professor Einstein states his opinion as follows:—

If France has not fulfilled her duty toward the Spanish Government, this is more or less excusable on account of the grave conflicts within her own borders and of the necessity, because of her difficult diplomatic and military situation, of having regard to Great Britain.

But as regards Britain's pro-rebel attitude, I can only explain it on the assumption that her freedom-loving elements have seriously declined in energy and influence. For everybody knows that if democracy succumbs in Spain it will be in great danger in France. The smaller democracies, too, would be unlikely to be able to hold their own if Fascism were to come into power in all the principal States on the Continent.

A success for Italian and German prestige and an increase of German and Italian power ought surely to be felt to be more dangerous than the stabilisation of a socially progressive Government in a country of secondary influence upon international mentality.

—*The Manchester Guardian*

MONROE DOCTRINE: 1937 EDITION

Buenos Aires and American neutrality: how the neutral entente was blocked

By G. ARBAIZA

THE neutrality policy of the United States has taken a new course since last December when American diplomacy, carrying plans for a bicontinental alignment, journeyed six thousand miles to Buenos Aires only to find a detour.

Washington observers at the time described American efforts in South America as a move to avert the impending catastrophe by means of a "Pan-American embargo policy" that would tie up the resources of the western hemisphere to belligerents, whereas the new cash-and-carry system, on its face value, merely means that the United States is clearing the counter for war trade. Whether or not the outcome of the Buenos Aires Conference has had anything to do with the adoption of the new policy, the United States has abandoned for the time being the idea of a neutral entente with Latin America in the present world emergency.

Yet the chapter opened by President Roosevelt at Buenos Aires is by no means finished. For one thing, American diplomacy did not come back with empty hands from the memorable trip. It found the road closed, but it brought back a South-American souvenir—the promise to consult. Although having no apparent value, the promise, according to enthusiastic Pan-American commentators, will be a rallying call on this side of the water when the war drums start rolling in Europe. For what happened at Buenos Aires seems to have been only an episode in the present war panic.

In a war for economic world supremacy, the South-American market, where all great trading nations have been contending for half a century, would be one of the largest aims. Even for the purpose of actual warfare, South America has a double strategic value as a source of vital raw materials and foodstuffs, and as a possible basis for naval operations.

In the initial stages of the World War, England won two significant naval battles in South-American waters, assuring to the Allies the supply of Chilean nitrates and Argentine meats and grains which were as vital perhaps to them as American munitions.

With this and the help of the famous English "black list," the British crushed their German trade rival in South America. In the end, however, the Allies did not remain conquerors in the market. When their exports to the southern continent languished to the vanishing point, the American trader stepped in and captured the market without a shot.

The post-war American financial plethora started a new economic expansion that carried American investments below Panama and increased them to nearly six billion dollars throughout Latin America. This expansion came to a halt with the collapse of 1929. American trade with Latin America broke down then, and has not fully recovered since. In the meantime the old rivals, British, German, French, and new ones, Japanese, Italian, Czechoslovakian and others, have gained considerably.

American interest in Latin-American trade is not confined to the sale of surplus manufactures and the purchase of some Latin-American crops that have become necessities for the American population. The experts tell us that American industry in war time would be to some extent dependent on Latin-American mineral wealth for certain items. Many essential raw materials the domestic supply of which is inadequate or lacking are now imported

from different parts of the world, including Latin America. But in case of war the Latin-American and Canadian sources would perhaps be the only ones available.

In order to maintain its supply of ferromanganese, chromite ore, tungsten, antimony, mica, tin, mercury, vanadium, beauxite, lead, iodine, amorphous graphite, zinc and other materials regarded as vital or extremely important for national defense, the United States, in the event of another war, would have to keep open its trade routes with Brazil, Cuba, Mexico, Bolivia, Peru, Chile and practically with the whole of Latin America, unless, as the National Resources Board has just recommended to President Roosevelt, the reserves of these materials are built up in anticipation of a conflict.

The crash of the Coolidge Bull Market and the passing of dollar diplomacy left a turbulent trail in Latin America: military occupations, embittered nordophobes, fiscal receiverships, impoverished national treasuries, revolutions and war, defaults and quasi repudiations of corrupt American loans to petty dictators, decreased trade, deflated prices of Latin-American products in the American market, new tariff barriers and exchange retaliations that from 1929 to 1933 loosened the ties of the Pan-American family. The good neighbor policy healed political ravages and was trying a new prescription for economic ailments when the European situation became threatening. It was then that the United States suggested the Buenos Aires gathering.

The substance of the American proposal at the Buenos Aires Conference was the creation of a permanent body, an "Inter-American Consultative Committee," made up of the Secretaries of State and Ministers for Foreign Relations of the twenty-one republics, and the adoption of an export and credit embargo policy by international agreement extending to Latin America through legislation parallel to what was then the American neutrality policy.

Torpedoing the American Plan

The plan, although submitted for the rather modest purpose of maintaining peace among the American republics, really had the breadth and boldness of a political alignment of the Americas. For a body of such caliber, once set up, could not have failed to take cognizance of a war danger affecting, not only two American nations, but the whole hemisphere. To be sure, it was to function prior to any conflict, and empowered to provide for the correlation of the legislative and administrative neutrality measures of the various states. This neutral entente would have placed the war trade and resources of the 21 countries at the outbreak of hostilities under one body on whose decisions the United States neutrality or war policy logically would have had final influence.

But the proposal did not go very far in the South-American diplomatic waters. It met with rough going from the beginning, and when it made port after a stormy revision, it had lost both its Consultative Committee and its neutrality plan.

In the signed conventions the conferees agree to consult with one another *"in the event* of international war outside America," in order "to determine the proper time and manner in which the signatory states, *if they so desire*, may *eventually* cooperate in some action *tending* to preserve peace in the American continent." (Italics mine.) That is, they declare their intention to consult after a war has broken out, rather than organize in anticipation of it.

No embargo provision whatever is made in the so-called Collective Security Pact, dealing with the danger of an extra-continental war. The only reference to it appears in the Convention Coordinating Existing Treaties, which deals with the danger of war exclusively among American nations, and even there the text used sounds like an eager rebuff of the American suggestion. It declares that the signatory states "may take into consideration" the adoption of embargo measures, *"but only* through the operation of domestic legislation." (Italics mine.) That leaves the matter beyond international agreement.

It was not the fact that 16 Latin-American republics are members of the League of Nations that caused the rejection of the

Times Wide World

***BEFORE THE CONFERENCE:** Secretary Hull with Saavedra Lamas, the Argentine Foreign Minister, who was instrumental in defeating the American delegation's plans.*

American proposal, as has been explained. League membership had as much to do with it as the Shanghai opium traffic. After Manchuria and Ethiopia, no one in South America expects to be protected by the League. The League serves as little more than an employment bureau for Latin-American rulers who want to favor idle friends or get rid of dangerous rivals at home.

It seems that opposition to the American proposal was not considerable in numbers. Brazil supported it, and the Central American bloc, composed of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, had a plan that was interpreted as similar. Later, Cuba, the Dominican Republic, Haiti and Panama were said to have joined this group. Most of South America, except Brazil and possibly Ecuador and Venezuela, dissented from the American plan. But while Bolivia, Chile, Colombia, Mexico, Paraguay, Peru and Uruguay submitted different projects or offered changes, Argentina put up a militant opposition and, single-handed, made the American proposal fail.

The fact is particularly significant because, of all Latin-American countries, Argentina is the one whose help means more to Europe in case of war than that of the rest of Latin America. The Argentine pampas feed incalculable millions in Europe. Out of the Rio de la Plata granaries and *frigoríficos* flows, mostly toward Europe, a steady stream of victuals that includes about one third of the world's wheat exports, four fifths of the international shipments of corn, and more than half of the world's exports of beef and beef products. More than four million sheep are slaughtered and sent yearly from that country across the Atlantic to be served at Europe's table. The Argentine exports represent about as much in value as the exports of the rest of South America, and the strategic position of Argentina overshadows so completely, as far as European war needs are concerned, that of the other Latin-American countries, that the Buenos Aires conference seems to have been mostly, if not entirely, to enlist Argentine support.

No one knew this better than Argentina herself, who always has shrewdly used competition for her trade among the great industrial nations as a means of giving political weight to her great economic strength. Argentina resents the idea of being regarded as a planet in the American system. She has availed herself of every opportunity to strike at that conception, and there had not been in decades a more spectacular chance to do it than at Buenos Aires.

Let no one think, however, that this was her only motive in defeating the American plan. It happens that her exhibition of antagonism at Buenos Aires, so pleasing to her national pride, fitted perfectly with her present economic interest. Entirely too much credit has been given by the American press to Saavedra Lamas' vanity for the failure of the American plan. He may have been allowed by the leaders of Argentine business and great landholding interests to play in his own manner the leading role the United States offered him at Buenos Aires, but it is those leaders who have the final say in Argentine economic policy, and they are amply represented in the Justo Government.

Argentina Looks to War Profits

In 1936 Argentina did with Europe about six hundred and fifty million dollars worth of business (at the present official rate of exchange), selling in European markets nearly 70 per cent of her exports or about four hundred million dollars. Great Britain's share was more than 30 per cent. British investments in the country represent well over two billion dollars, and the total European investments, including French, German, Italian, Spanish, Dutch, Belgian, Scandinavian and others, are estimated at close to three and a half billion. It was the combined local and European interests behind these figures—not the whims of Argentina's Foreign Minister—that stood in the way of a Pan-American neutral entente.

In recent years the Argentine trade with Europe has been recovering with varying fortune from the depression. The first signs of increased European demand in anticipation of a war brought an uptrend in Argentine and other South-American export values during 1936 and quickened the tempo of recovery. But toward the end of the year, precisely about the time the Buenos Aires Conference met, advance word of the great European war budgets and of the handsome share that Argentine trade was to have in the resulting purchases, had also reached Buenos Aires.

When the Conference was called to order, the Buenos Aires grains and meats markets, and with them the masters of Argentine economic life, were expecting great days—but not for world peace. Movement of the crops was about to begin. All through 1936 there had been an extraordinary inflow of foreign funds that reached an estimated total of one hundred million dollars and assumed far more consequence than a similar transfer during the few months preceding the outbreak of the World War, when England placed larger sums in Argentina than in the United States.

Argentine business profited tremendously from the World War, and this was the best chance the country ever had since the crash to take a leap back to prosperity. So it happened that while the Pan-American conferees were discussing ways and means of maintaining peace, the cereal traders of Argentina were dealing in war values. British demand for extraordinary supplies as a part of their planned food cache for wartime defense, and the presence of German, Italian, and other European buyers with heavy orders, set things going. The war boom was on.

American political columnists and correspondents, commenting on the American proposal at the time, said that it sought to insulate the Americas from the next war by an economic boycott of the belligerents, and spoke of "padlocking" the resources of the western hemisphere. It is not hard for anyone to imagine how that sounded to the ears of opulent *estancieros* and Buenos Aires bankers, grain exporters, brokers, speculators, and meat-packers. The local press cried that the United States was trying to isolate South America from its best customers across the Atlantic. Secretary Hull, "in order to avoid the confusion due to a number of divergent press interpretations" of the American draft, gave out a statement at Buenos Aires answering that the proposal referred only to conflicts "in this hemisphere," and it did not "in any way affect exports from this hemisphere to other countries either in time of peace or in time of war." This explanation broke the deadlock which had been holding the Conference since the American proposal became known.

During the first quarter of this year, Argentine wheat, corn, flaxseed and other products rose to the highest price levels since 1929, shipments reached the record-breaking total of $280,000,000, and the Buenos Aires grain market often went wild "with daily scenes of frenzied buying unequalled since the World War." Evidently, December 1936 was not the best moment to talk of padlocking the pampas.

The situation was similar regarding other South-American countries which for the past year have also been profiting by the price advance in copper, tin, cotton, etc., and which have, too, strong business ties with Europe. Chile's sales to Europe have averaged in recent years more than 50 per cent of her total exports; Peru's, more than 50 per cent; Bolivia's, about 90 per cent; Uruguay's, more than 60 per cent.

To mention one example, while the Buenos Aires Conference talked of an embargo on war materials, the Chilean government was negotiating with French authorities and the *Chambre Syndicale des Industries Aeronautiques* (in which all French airplane factories are associated) for the sale of 120,000,000 francs worth of nitrates, Chile to receive airplanes in exchange. Similar barter transactions were being discussed with Italy and Great Britain.

Of course, American diplomacy was aware of all this when it paid the Buenos Aires call, and walked into the very stronghold of European influence and investments to point a finger at European folly. Undoubtedly it realized, too, that it was at a disadvantage in a country that for years has pursued a hostile policy to American trade, curtailing American imports by means of exchange regulations as a reprisal for American protective tariff on Argentine grains, wool and hides, American restrictions of Argentine meat imports, and the comparatively small percentage of the American share in Argentine exports. At the time, Argentina had just signed or was about to sign new trade agreements with Great Britain, Germany, Italy and other European countries granting them favored exchange treatment.

American diplomacy had only two cards to play. One was the prestige of the good neighbor policy. No American ruler has been better liked in Latin America ever since the United States became a world power than President Roosevelt, because he has done more than any other to liberalize Latin-American policy. While his policy is maintained, a majority of Latin-American public opinion stands for cooperation with the United States. If Argentina ran counter to this trend and antagonized the United States in order to show how independent she was, she would at the same time be placing her business dependence on Europe too much in evidence. The second card was the possibility of a total breakdown of European markets in a long war.

But Argentine leaders did not care much about placing their motives in evidence, nor did they show the slightest fear about the permanency of the Argentine position in the European markets. And entering into a neutral economic entente with the United States was to them only hitching the South-American freight cars to the American locomotive.

The sudden turn that the European chronic war fever took for the worse with the remilitarization of Germany and Italy's challenge of British sea power in the Mediterranean, forced the hand of American diplomacy to make the Buenos Aires move at a time when the very situation that prompted it was bound to strengthen more than ever the business alliance between South America and Europe.

However, the promise to consult assumes quite a different meaning when other prospects are brought into the picture.

Before 1914 the European foothold in South America was comparatively stronger than it is today, and it may not survive another hurricane. If another war stops the supply of European money and manufactures, American enterprise will have a chance to step in for the second time and possibly do a better job than the improvisation that followed the World War. The opportunity would find American business better prepared to undertake another south-

ward expansion, much needed just now by American foreign trade, a more tempered expansion if American business has learned the lesson of the twenties, but a far easier one, as, during the past two decades, the United States has built up for its trade in South America a vast machinery that it did not possess before.

American capital took the place of European capital in some of the South-American industries during the post-war period. Another war may see a more thoroughgoing supplantation, and lead perhaps to a situation where a large part of European commercial intercourse with South America may be transacted through American hands.

If the European financial strings tear off once more, the United States would again be the only source of pecuniary help to Latin-American debtor nations, who owe nearly two billions to American investors.

From a political standpoint, Latin-Americans think they have driven a good bargain by exchanging their promise to consult for the United States promise to renounce intervention in Latin America. In the non-intervention protocol, which declares intervention "inadmissible" among the American republics and is really intended to preclude a resumption of American intervention policy, the southern republics are pledged to act together in that event. There is an ironical touch in the fact that they were able to make this organized move only through American efforts to gather them at Buenos Aires. They regard it as a great diplomatic victory, and many Latin-American delegates greeted the signing of the protocol as "the end of the Monroe Doctrine."

Those who see in the present American non-intervention policy a sober reaction to the 1929 debacle rather than a diplomatic concession, are not so certain about its permanency. While American investments are at a standstill, the intervention policy lies in cold storage. But let the foreign investment floodgates of the American reservoir be lowered again, and if American business has not learned the lesson of the twenties, non-intervention, even the good neighbor policies, may be swept away.

The Monroe Doctrine has been buried many times. Yet, should the "belated" imperialist powers of Europe threaten to upset the present American and British control of South-American raw materials, foodstuffs, shipping and ocean trade routes, the doctrine would become a more vital issue than in the days of the Holy Alliance.

The dual control of South-American exportable wealth rests now upon the combined American and British sea-power to protect their access to South-American resources. If the new challengers of British supremacy in the Mediterranean—which holds the Gibraltar key to the Atlantic and would shut that door in a conflict—break through, then British control of South-American transatlantic trade would be menaced. And to destroy and supplant the British hold on South-American economic life might look easier to the Hitlerish and Mussolinian appetite for grain fields and raw materials than a military expedition to the plains of Ukraine. Then the Monroe Doctrine would perhaps revert to its original meaning.

A 1937 edition of the Monroe Doctrine may be read in between the lines of the Neutrality Act passed by Congress. The paragraph exempting Latin-American states from its provisions, that is, from the embargo on credit and arms exports to belligerents, contains a warning that the United States will not lend its help to Latin-American nations taking sides in an extracontinental war or "cooperating with a non-American state or states in such a war." The implication is that the United States will only support, naturally as a matter of self-interest, a Latin-American republic fighting aggression by a non-American power.

In his Chautauqua speech, August 14, 1936, President Roosevelt said: "Our closest neighbors are good neighbors. If there are remoter nations that wish us no good but ill, they know we are strong. They know that we can and will defend ourselves and defend our neighborhood."

BEHIND ROUMANIA'S CRISIS

Iron Guard and palace politics threaten Eastern Europe's bulwark against fascism

By CHARLES HODGES

ONLY a king stands between his kingdom and a new "Deutschland down the Danube"—Carol of Roumania.

Signs of the approaching storm already were visible in flamboyant Bucharest last summer. I saw it on the bill-boards, where the swastika flamed out from the posters, European-style, crying the editorial contents of the bought fascist press. It surcharged the neighborhood of the university schools with Nazi-banded students agitating in the street. Psychologically, it permeated the atmosphere as conversation in official and unofficial circles would turn to the brutal murder of a Roumanian politician in his hospital bed—one of the culminating signs of Nazi gangsterism descending the Danube in a new drive for power.

The lower Danubian kingdom, now as before the World War, represents a key area in European politics. Its geographic position, then as now, makes it of prime importance to any *Drang nach Osten*, whether it be yesteryear's bid for the Persian Gulf *via* Turkey or the present push against the Soviet Union as the foremost foe of fascism.

Roumania's material wealth, particularly valuable as a granary, a store-house of raw materials, a producer of that supreme wartime source of power, petroleum, remains an even greater temptation in these days of embattled economic nationalism. Even the parliamentary politics of the nation, a bizarre mixture of nineteenth-century liberalism, powerful peasant opposition, plutocratic corruption, fascistic violence, and palace intrigue, offers a fertile field for alien conspiracy to bend the country to outside interests.

The master-clue to the present play of politics about Bucharest is to be found in King Carol himself.

Since Roumania's colorful monarch swooped down by plane from Paris in June, 1930, to reclaim singlehanded his crown, he has not only reigned. More and more, he finds himself confronted by situations in which he must rule directly to survive. We have come in this part of the European scene to one of those more and more infrequent moments when the long-range forces of modern diplomacy grind against the sheer personal power of an outstanding individual determined to block their realization.

Personally likeable but with full range of family temperament, he is a good-looking king who brings to the royal role an appearance of physical fitness that checks with his love of sports. When I saw him at Valeni de Munte, his proverbial beret, cigarette in its long holder raking from an indulgent mouth, nonchalant handling of the powerful sports sedan all seemed to make him a very human monarch who could exasperate yet captivate his associates.

King Carol is credited with becoming a hardworking ruler, quite the opposite of the playboy reputation that followed his romantic movements of the twenties, who appreciates that he himself, the monarchy, and the country are in a tight spot. Dr. Iorga tells me that this ruler really labors over problems of state with intellectual zest; he frequently visits with the patriarchal and scholarly *bon vivant* to discuss questions of state; and he puts a great deal of reading behind his views. Though living up to his reputation for impulsive

NAZI PENETRATION: "Funds syphon in to keep a fascist press; big business from Berlin, symbolized by the famous 'AEG' in trade, has its part in penetrative intrigue."

action, the king cannot easily be maneuvered out of a position. He catechizes his ministers and quotes from the latest works of authorities on the subjects under discussion. These debates can run for hours until he has exhausted a minister of finance on economic theories or he himself accepts the soundness of opposing arguments.

As the world knows, the decisive influence about him is the keen mind of the woman for whom he surrendered succession to the throne in 1926. The very durability of this royal romance, whose door to marriage is blocked by the commoner status of Madame Magda Lupescu, now makes it one of the prime factors in current Danubian politics. A person of charm, intelligence—and courage—she remains the delight of sensation-mongers who are not interested in the stabilizing influence which she now exerts over King Carol. She is credited with a shrewd political sense. Certainly her steadfast devotion in the face of real personal danger is one of the monarch's constant supports.

Officially shrouded from popular view,

Madame Lupescu moves in the small royal circle and sees possibly forty persons outside this intimate court group. It interested me to learn that, since 1932, certain diplomats have begun to entertain her unofficially. This discreet tribute to her continuing importance in the kingdom must be understood.

"Just picture her position," a foreign diplomat told me. "She has no life of her own. She only sees friends on an approved list of people who can be relied upon to avoid political involvement of her name. She exists exclusively within this small circle—there is neither appearance in public nor public reference to her. Occasionally, she goes out to dinner; here, again, these same intimate friends constitute the hosts and guests."

As one well-informed friend observed to me, people have been inclined to underestimate King Carol himself because of the legend of the lady's all-pervading power. In diplomatic quarters, there is a feeling currently that her direct manipulation of Roumanian politics is certainly no longer what it has been supposed to be by Carol's whispering enemies. Undoubtedly playing the active part credited to her at times, she is believed by friends to perceive the danger of any visible, constant interference in affairs of state.

In point of fact, her true significance for Carol lies outside herself. It is something psychological, for which we have to poke back into the family setting of the monarch. We are probably on the right track when we say that the king gains something from her that no one else has been able to give—the assurance that he *is* the ruler of Roumania. This, his mother, the beautiful but imperious and dominating Dowager Queen Marie, failed utterly to do. Not only did she fail to build up his confidence in himself; she always has pictured him as mother's "little boy."

Outside the court circle, King Carol's support has come particularly strongly from the army and Roumanian youth. The fighting forces admire him as a man and a leader who demonstrated his confidence in them by stepping out of a plane at Cluj and taking command—then flying on to Bucharest with the same assurance of power. With Prince Michael, whose regency reign was terminated by his father's dramatic return staged after three years of exile, Carol appeals to Roumanian youth for his sportsmanship. Here, the Boy Scouts have a universal popularity which makes them a youth organization of challenging strength; this strength has been at the command of the king, who lets his son stand the gaff of an ordinary Boy Scout and who himself always finds time to show up at a jamboree. The increasingly important Roumanian business elements, displacing the old landed magnates, too, have been behind Carol. He is very much involved in the ramifications of national economic development, which are marked in Roumania by an unusually intimate tie between politics and capitalism.

Iron Guard

Ostensibly, the challenge to King Carol and his followers comes from the notorious "Iron Guard."

Developing rapidly in the post-war period as a violently anti-Semitic youth organization under the leadership of Zelea Codreanu and eventually Professor A. C. Cuza, it has bashed its way into sinister prominence by carefully planned outrages. These started in Eastern Roumania with student organizations drilling in Braila, Galatz, Constanza, and other cities as an anti-Jewish force systematically launching riots to flame into national pogroms. The Iron Guard immediately became a major problem of Carol, for obvious reasons, upon his return to power. Within six weeks, the Guard found that the monarch had no intention of allying himself with these fascist elements. They promptly shot the Minister of Interior, who was attempting to preserve order with too firm a hand for Codreanu and his followers; their terrorism challenged the Government itself during the last days of 1933 when Premier Duca himself was assassinated.

Though proscribed by the state, the Iron

Guardists have proved to be only driven under cover rather than dissolved. Their organization is too extensive to be easily uprooted. Moreover, their anti-Semitism is driven deep into the stirring peasant consciousness as the explanation of all agrarian troubles. Accordingly, when left-wing agitation from the communists increased with the world economic depression, it brought Iron Guard activities once again to the surface of Roumanian politics.

This time, two external factors are involved—the bitterly-assailed Franco-Soviet

CAROL OF RUMANIA: "The master-clue to the present play of politics about Bucharest is to be found in King Carol himself."

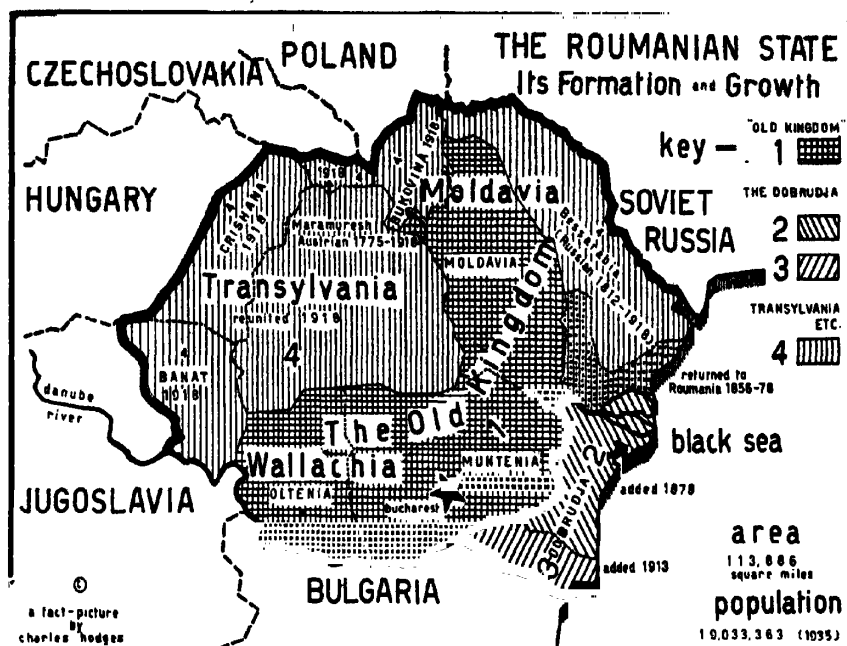
Alliance, which was concluded without due warning to the Eastern European allies of Paris; and the new "putsch" of Hitlerized Germany to the east.

The French deal with Moscow has given Roumanian reactionaries their golden opportunity. The efforts of that perennial minister of foreign affairs, Titulescu, to find a working basis with the Soviet Union were assailed in a frenzied campaign by the Roumanian groups on the right. This finally brought about his resignation last fall in connection with his very mysterious illness. Though this extraordinarily competent diplomat worked on the obvious principle, as he said, that "we cannot be anything but friendly with a nation of 170 millions," the Iron Guard drove in a venomous fashion against the whole "blindly" pro-French, pro-Soviet orientation attributed to Bucharest.

This seems to suggest something of the outside support undoubtedly behind the Iron Guard. We must remember that Titulescu clearly perceived the strategic threat of Nazi Germany to Roumanian independence. Well over a year ago he and the Government feared the inevitable Hitler drive down the Danube. Every effort was made to close gaps in Eastern European solidarity, to which King Carol, under no illusions as to the monarchy's own jeopardy, has lent every support. In particular, Roumania has drawn closer than ever to Czechoslovakia as part of Titulescu's plan to keep free from German domination; and the Czech need for direct contact with Soviet Russia in case of war is being met by a strategic railway from Eastern Czechoslovakia across Roumanian territory in Bukowina and Bessarabia to the Ukraine which is now well on its way to completion. Yet, even though Titulescu's policies resulted in the USSR accepting the loss of Bessarabia, to the north of the Danubian delta, the Roumanian reactionaries have picked up the "communist menace" as the logical current complement to their anti-Semitism.

As one Roumanian put it a trifle cynically to me: "All Jews are not Reds; but all Reds are Jews!"

Nazi Cloud

In the meantime, the darkening shadow of Nazi Germany is spreading more rapidly down the Danube. While nothing could be done by Hitler with Czechoslovakia directly, the Third Reich has sought with increasing pressure to wedge apart the little Entente. Here, the racketing "debtor diplomacy" of Dr. Schacht has proved partially successful in putting economic shackles on Yugoslavia; but Roumania

eludes such efforts with its fundamentally more developed national economy.

While the traditional pro-French policy of Bucharest beyond doubt has been altered by the precipitate way in which Paris covered herself when confronted with German rearmament, an almost panicky disregard for the Little Entente, the Nazis know that as things stand they are checkmated on the lower Danube. Their violent opposition to Czechoslovakia defending herself by the railway connection to the USSR, *via* Roumania, shows why something must be done to upset the combination. A route, the joint product of the French, Soviet, Czech and Roumanian general staffs, must be propagandized away—even if it means a political upheaval in the Danubian kingdom.

So, today, the full force of Nazi diplomacy, finance and trade—plus an alliance with the most fascistic elements in Roumanian politics — has been let loose against Carol, the Little Entente neighbors, and the French backing. The Hitlerites are playing with any possibility relentlessly: funds syphon in to keep a fascist press; big business from Berlin, symbolized by the famous "AEG" in trade, has its part in penetrative intrigue; one of the rising National Christian Party's leaders, Goga, commutes north to the Third Reich, while his associate, Professor Cuza, of the Iron Guard, holds the home front in Bucharest.

Exit Nicholas

With Carol and his governmental supporters jockeying for position against the Nazi-backed fascistic elements, for the moment camouflaged as the "All For Our Country League," the other side of the Prince Nicholas affair becomes clearer.

The foreign press, as usual, is playing up the personality angle. It is featured as a duel between two ambitious women, in which Madame Lupescu is given the role of blocking the aspirations of the commoner wife of Prince Nicholas to establish herself as a duchess. Prince Nicholas, we are informed, stands pat on maintaining his marriage. Reading between the lines, however, the story seems to be more complicated than merely that of a crown council stripping the recalcitrant prince of all rank and imposing exile upon him. We find

that Carol's equally tempestuous brother has been backed—not merely conveniently used at this moment—by Iron Guard interests in none-too-successful business ventures masking ulterior motives.

Under these circumstances, Prince Nicholas emerged as a political issue of uncertain but large political dimensions. Just as the Iron Guard and its fascistic party fronts are catspaws of Nazi Germany, so Nicholas seems to have been the tool of Roumania's understudies of Hitlerism. These events may be hinged upon personalities; but the human beings, whatever their stations, are incidental to the larger forces behind them. Nothing could be more significant than the conviction of the Iron Guardists on trial for political murder. It shows a strong governmental hand determined to cope with this challenge from fascism—and coping with it in the one unanswerable way . . . death.

Upshot: Setting the Stage

Political prediction, especially as world politics dovetail into domestic politics—and domestic, into personal vendetta—seems more than hazardous.

The best that one can do in the significant case of Roumania is to draw together a sort of balance sheet of tendencies. On the international side, Nazi Germany appears to be gathering momentum for a major move in Eastern Europe. Mussolini's Italy, notwithstanding its fascist cultural headquarters in Bucharest, seems to be in retreat toward the Mediterranean. Both the deal with Yugoslavia, apparently designed to cover Italy's vulnerable rear, and the washing out on Austria appear to be part of the same pattern. Within Roumania, we apparently find a major convergence of Nazi interests. In the simplest terms, Germany must bend or break King Carol and his supporters to make Roumania serve Hitler's purpose—to use the Danubian kingdom as an advance base for the constantly-heralded attack on Soviet Russia.

The German formula — break Carol, fascize the country, and suck its great economic wealth into the Nazi dream of a self-dependent of "autarchic" Middle Europe—sets the lines of this battle. But kings of Carol's temperament, quite apart from any other considerations, do not want to be reduced to vassalage. Hence we have the Roumanian counter-offensive. In this, Carol is playing a key part. If dictatorship is inevitable, the king proposes to beat his enemies within and without Roumania at their own game—a royal dictatorship. If anti-German solidarity can turn the trick, Carol will continue his visits to Czechoslovakia, to Yugoslavia, not to forget the significant relations being consolidated with Poland.

In the meantime, Roumania is rearming with aid from France and Czechoslovakia. This combination is very important, for the Czechs are giving Roumania loans for the modernization of armaments while the French supply munitions. In this last matter, indeed, comes one of those little ironies of men. The French nationalization of the arms industry is helping out Roumanian preparation for Armageddon. The state control over private manufacturers of arms, such as Schneider-Cruesot, means that Roumania can get arms more easily — French government credits will be forthcoming and Roumania will not have to worry about being in arrear on payments.

So the Roumanian part of the Baltic-Black Sea barrier to Nazi expansion eastward is being dug into the Lower Danube Valley by King Carol and his statesmen. Whatever may be the political and social contradictions within the Roumanian kingdom, this one thing stands out clear against the troubled horizon of European politics: Roumania's repudiation of a Nazi alignment means a major setback for Hitler's Third Reich and its march to continental power.

MOBILIZING WITH GASOLINE

The powers turn to synthetic fuel in their mad rearmament scramble

By WILLIAM GILMAN

THE world-wide race to rearm is a daily, frightening story in the newspapers and on the newsreel screens. But meanwhile another race is well on its way, although outwardly not so spectacular. It is for gasoline, the fuel which must be had to run the new war machines.

If oil wells alone were the goal, the date of a new war might be still far off, so hopelessly out of the picture are such "have not" powers as Germany, Italy, and Japan. But in synthetic gasoline—there they see a chance.

Germany provides the best example, both as a nation with urgent need and the scientific ability to turn to substitutes. It may be an ironic tribute to science to say that Germany's war plans might be in a very embryonic stage today had she not the ingenuity of two Nobel Prize winning chemists to fall back upon. But it is not an over-bold statement.

Germany's potential allies of any importance are as poor in raw materials as she. Her navy could certainly not be depended upon to break through Britain's armada to neutral markets, or to colonies if she is given any. But Germany has been through this before. Yet she was able to fight on, although blockaded, because Dr. Fritz Haber pulled nitrogen out of the air, freeing the Fatherland from dependence upon Chilean saltpetre for explosives. Today, Germany and the rest of the world as well, can manufacture a surplus of explosives at home by the Haber process.

In 1918, Germany had plenty of synthetic nitrate but was starving for that other war necessity, petroleum. In a new war, she hopes this lack will be filled—with synthetic gasoline and such supplementing substitutes as alcohol. The Reich is depending upon the ingenuity of Dr. Friedrich Bergius, once an assistant to Haber and, like his mentor, a Nobel Prize winner. He developed the outstanding method of coal liquefaction, a process now 20 years old on paper but only about 10 years old industrially.

Whatever other scientific aces she may have up her sleeve—she had two in the last war, synthetic nitrates and poison gases—Germany is making no secret of her coming reliance upon the Bergius process.

Fuehrer Hitler says the Reich, in 15 months, will be free of dependence upon foreign oil. Time alone can tell. It would be a Herculean task—crushingly expensive and involving a drastic reorganization of German industry—but it is not impossible.

Using present consumption figures, Germany needs about two million tons of gasoline annually. She is meeting about 47 per cent of that need at home. About 20 per cent is accounted for by synthetic gasoline, the rest by domestic crude oil and such substitutes as alcohol. The bulk of the other 53 per cent necessary to attain self-sufficiency by the spring of 1938 would come from an increased conversion of coal. Six tremendous plants might do the job, but modern military strategy calls for a scattering of smaller plants safely around a nation.

The Bergius Process

To attain the goal, Germany is using all three principal processes: the low-temperature carbonization of coal, at least 90 years old and producing more coke and other by-products than it does gasoline; the Fischer-Tropsch "synthetic" method, a small-scale affair based on the use of coal to generate gases which are then built up

into larger, liquid fuel molecules, and the Bergius "hydrogenation" process.

The last is the most important, because of its large-scale possibilities, its efficiency (theoretically, a ton of "pure" coal will produce more than its weight in gasoline), and its ability to use the cheapest grades of coal, leaving better grades for conversion into coveted foreign exchange by export.

Disregarding its technical complications, such as the need for correct catalysts, the Bergius process consists simply of powdering coal and forcing its chemical union with gaseous hydrogen under high pressure.

Commercially, it is another matter, despite the fact that coal is plentiful and cheap in Germany as well as most other nations lacking petroleum. The cost of erecting a hydrogenation plant is tremendous. And, gallon for gallon, the product itself is about three times as costly in manufacture as gasoline refined from crude oil. It is well enough known, however, that Germany has embarked on her self-sufficiency program, in regard to gasoline and other materials as well, with an "at any cost" policy.

Meanwhile, the German consumer is being forcefully educated to keep his hands off the Reich's liquid fuel supply. One method, shared with several other nations which lack oil, is to subsidize the use of substitutes or decree the use of gasoline-alcohol blends mixed in certain ratios. It is a type of domestic mobilization, with the German citizen being prepared for days when the gasoline supply will go almost wholly to the army, navy, and air force.

Oil and Private Profit

As for the world picture, there has evolved an interesting blending of nationalistic necessity with international expediency. The story of the oil industry has always been tied in closely with private profit and national safety. The powers have seldom been averse to helping their nationals obtain and drain oil concessions, even at the cost of overthrowing a weak government or two. With the totalitarian tendency so pronounced today, the line between commercial and diplomatic exploitation is even less distinct.

In the background is a corollary to the search for oil—a search for markets, with world-wide rivalry leading to the growth of international combines and the awarding of spheres of influence. It is a matter of maneuvering to obtain "black gold" in Mexico and Iraq so that there might be a supply of kerosene to light the lamps of China.

An ultra-modern corollary was last year's spectacle of a power demanding, not oil wells or oil markets, but the right to buy oil. Premier Mussolini accepted all other sanctions, with ill grace to be sure, but told England plainly where an oil embargo would lead.

It becomes clear why the other powers sat up with keen interest when Germany's gasoline-from-coal reached the stage of industrial feasibility. The result is that patent rights to the Bergius process are now divided four ways: in Germany, Italy, and England by gigantic chemical concerns close to the respective governments, and in the United States by the Standard Oil Company of New Jersey.

The brunt of the cost, of course, was borne by Germany. It is reported that Bergius used a staff of 150 technicians over a 13-year period to bring his process to the industrial point, at an expense of around six million dollars.

For Italy, an oil pauper producing a bare three per cent of her needs and with Albania her only field for exploitation, the process obviously loomed as a godsend, especially in view of recent reports that there may be extensive deposits of low-grade coal in Ethiopia. England, on the other hand, has plenty of oil abroad. Nevertheless, she too has taken up hydrogenation as a strategic auxiliary. Its necessity became apparent last year when Italy threatened Britain's "life line"—and that means, among other things, her oil pipelines from the Near East.

American interests, interested in making a dollar while foreign rivals worry about

war, joined the patent pool from the viewpoint of business foresight. The fact of the matter is that Uncle Sam's crude oil supply is dwindling, at the rate of a billion barrels a year. Year in and out, oil wells in the United States have not only supplied the domestic market, largest in the world, but exported as well. The American output accounts for 60 per cent of the total world production, and has averaged that figure ever since oil became a commodity.

The situation has now arrived where the world's remaining, proven oil reserves recoverable by present-day methods are estimated at 25 billion barrels, a 14-year supply. Of this, the United States has about 13 billion barrels, according to recent American Petroleum Institute figures.

Does this mean there will be no more oil in Texas, Louisiana, Oklahoma, and California in 1950? Hardly that ominous. But the big splurge is dated. New reserves are being discovered constantly, although, significantly, they barely kept up with the American drain last year. New cracking processes account for more gasoline per barrel of oil. Oil drilling constantly gets deeper. Eventually too, the United States can turn to vast quantities of oil-bearing shale.

When Oil Becomes Scarce

Meanwhile, the demand keeps climbing. As the ratio of supply to demand narrows, the time must come in 10 years or so when the price of oil will begin soaring in earnest —just as that other American raw material, lumber, mounted in price when the period of big wasting had effect—with a consequent narrowing of the price margin between oil-gasoline and coal-gasoline.

This picture of the future has prompted American oilmen to send out their best prospecting minds in the past year, searching for new oil fields and buying known ones outright, so that they are now very much a factor in the international production picture. This desire by American capital to dispute control of the world oil situation with foreign combinations is undoubtedly one of the most important phases in American oil history and, if our interests are threatened by war, in future American neutrality.

Before the past year, the world's two big oil combines outside the United States were Royal Dutch-Shell and Socony Vacuum-Standard (N. J.). Now there is a third, Texaco-Standard (Cal.), which has bought vast oil-concession leases in Sumatra and opened new fields in the Persian Gulf. Texaco recently went into big-scale operations in Colombia with Socony Vacuum. And at the beginning of this year Texaco, operating through its large control of stock in the Seaboard Oil Company, obtained an immense concession in Iran and Afghanistan, in the heart of Britain's vital interests.

Concurrently with this activity abroad, American interests are quietly experimenting with refinements of the Bergius process. Standard Oil (N. J.) owns exclusive rights through a subsidiary, the Hydro-Patents Company. It has gone ahead to license most major American oil concerns, who are forced by patent law to pay tribute. Thus, while foreign interests rushed into the international pool to be prepared for war, the Standard Oil firm acted to stay up front in the liquid fuel business.

This does not lessen the strangeness of two such antagonistic nations as Germany and England sharing the same secrets, for it is common knowledge that the affairs of their oilmen are closely controlled by their respective foreign offices.

The history of the unique cooperation began in 1929 when Germany's domineering dye trust, the *I. G. Farbenindustrie,* an important cog in the Reich's mobilization scheme, pooled its Bergius process refinements with similar secrets held by the Standard Oil interests. They organized under joint control the Standard-I. G. Company.

Two years later, England applied financial and diplomatic pressure with the result that the monopoly formed a subsidiary, the International Patents Company, to which Royal Dutch-Shell interests were admitted. The new company had, and still

has, world rights to the Bergius method, but allows Germany and the United States, as pioneers, hydrogenation sovereignty within their own boundaries.

The fourth member, Italy, came in last fall through a series of events which well illustrate how international crude-oil diplomacy has become entwined with the synthetic variety.

England had been in control, as she is now, of the Iraq Petroleum Company, which in turn dominated the vast oil output of little Iraq. The corporation's stock distribution is an eloquent instance of pooling. Between them, Royal Dutch and Anglo-Iranian owned 47½ per cent of the stock. Another 23¾ per cent was owned jointly by Socony Vacuum and Standard Oil (N. J.). French interests owned 23¾ per cent and the Armenian free-lance, *Sarkis Gulbenkian*, had the remaining 5 per cent.

Last spring, however, the British government became suddenly aware that the near-by Mosul oil fields, organized on a basis of being dominated by Britain, had practically gone under Italian control—a threat on a new front by Mussolini. Then the Ethiopian war ended and the urgent need to keep oil from Italy was removed. In the midst of the Anglo-Italian rapprochement, and almost coincidental with the removal of sanctions, the British were suddenly enabled to buy out the troublesome Italian interests.

Another coincidence occurred. England abruptly allowed Italians into the patent pool. The most plausible explanation is that there was a two-way deal between England and Italy, with Germany wholeheartedly approving favors for her ally. Likely enough, Sir Henri Deterding, chairman of the Royal Dutch board and not unfriendly to the Nazis, was intermediary. The Italians got hydrogenation patent rights, as well as 10 per cent more for the Mosul stock than they had paid. In return, England remained secure in Iraq.

Since then, Italy's prototype of the German I. G., the Montecatini interests, have capitalized the A. N. I. C. (*Azienda Nazionale Idrogenazione Combustibili*) with 400,000,000 lire for hydrogenation activities. This makes a total of three powers hard at the new gasoline game. The other two are Germany, of course, and England, where Royal Dutch brought the Imperial Chemical Industries outfit into the actual production scheme. The completion by the I. C. I. last year of a gigantic plant at Billingham, with capacity of 150,000 tons of gasoline a year was hailed as England's outstanding chemical event.

Japan, France, and Oil

Meanwhile, Japan and France are trying their own processes, some very similar to that of Bergius. Japan learned some time ago that the oil-bearing shale she found in Manchuria was far from sufficient. Of oil itself, there is practically none despite intensive searching. So Japan turned to coal, concentrating chiefly on the low-temperature carbonization process, which produces not only gasoline but coke and coal-tar products very useful to her. Already, the Mitsubishi Mining Company has established a plant in South Karafuto with a yearly capacity of 20,000 tons. The South Manchurian Railway is completing an experimental plant near its famous coal mines at Fushun, with a similar capacity.

France, meantime, still relies upon her own and Great Britain's navies to keep her oil pipe lines open, although she is not nearly so dependent upon British policing the seaways as is Holland, with interests in the East Indies. France has built three small coal-gasoline plants and is planning to erect another which would produce 300,000 tons a year—about 10 per cent of her needs. But it is likely that small plants will be erected instead, for French strategy, as demonstrated in synthetic nitrate plants, is to decentralize strategic industries as much as possible.

The only other major Power, Russia, is able to go serenely on her way. She is the world's second largest oil producer and an exporter. However, it is believed that with growing Soviet industrialization, consumption will rapidly rise to meet produc-

tion. Her synthetic chemists are more interested in rubber than gasoline.

In short, world interest in coal-gasoline has three phases, depending on whether the nation is a frantic "have not" like Germany, Italy, and Japan; a "have" preparing speedily for emergencies and desirous of developing an independent home supply like England and France; or a wealthy, investing "have" like the United States. Their attitudes are somewhat similar in respect to crude oil, except that part of the strategy here is for a nation like England to maintain a "dog in the manger" policy which will keep possible antagonists impotent.

Naturally, the pauper nations are not oblivious to the value of quick thrusts soon after the outbreak of a war that would net them captured oil wells. Only the secret mobilization plans in various war ministry safes could reveal definitely just what these plans are. Already, Italy has shown a keen enough interest in affairs of the Near East to hint that she might make a sortie into Iraq. Turkey's interest in acquiring control of Syria's Alexandretta area has been linked with German aspirations to gain control of the oil-bearing Sanjak section.

Moreover, there is always Roumania—the only European nation outside of Russia with oil for export—to which Germany might turn forcefully. And while Italy was threatening England's Iraq interests in the Near East, Japan might be simultaneously speeding toward English owned and controlled oil in the East Indies.

These are only conjectures concerning actual war strategy. Both groups of "haves" and "have nots" are meantime preparing in other ways. England, for instance, has embarked upon a three-year plan for the erection of huge oil storage tanks throughout the island. France is concentrating on filling the nation with oil refineries instead. Italy and Germany are spending as much as they can in the world oil markets. Japan is both storing oil and completing a fleet of speedy tankers for gauntlet-running purposes.

It is indicated that such policies would help the lacking nations, if war came soon, only if it were of short duration. The transportation of petroleum on the seas would speedily become a perilous proposition. There would also be the possibility of nations like the United States maintaining a throttling neutrality.

The important test of gasoline-from-coal would come if he war became a drawn-out affair. Then the world would see, among other things, whether the scales of victory in the old rivalry between coal and petroleum can still turn back in favor of coal.

Liquefaction in Japan

OPPOSITION to the seven-year plan to increase oil production, sponsored by Commerce and Industry Minister Takuo Goto, with special reference to coal, has been raised by the Japan Coal Association and Showa Company, reports Domei.

According to Vice-Admiral Godo's plan, 1,500,000 tons each of gasoline and heavy oil will be produced in this country by coal liquefaction, in 1943 for which 9,000,000 tons of coal will be needed. The coal would be equally supplied by Japan and Manchukuo.

His dependence upon Japanese coal is disliked by the association and Showa Coal because that much coal will be needed for heavy industries, which promise to become more prosperous yearly. The present mining capacity is not believed adequate to meet the situation.

The Government intends to encourage the coal liquefaction industry by giving grants to manufacturers to make up the wide difference in production costs between natural oil and liquefied coal.

ROLL-CALL ON TREATIES

THE *following summary, from material compiled by Vance O. Packard, shows the more important international treaties signed since the War and their present-day status. Their lives have been short. There are now but vestigial remnants of the Treaty of Versailles, and the collective peace machinery erected around the League of Nations has been largely replaced by a series of bilateral alliances and near-alliances.*

The Peace to End Peace

Treaty of Versailles: Of the conditions imposed upon Germany at the end of the War, only the colonial clauses remain intact; the territorial clauses are substantially so, save for that relating to the Saar which the Reich regained by the January 1935 plebiscite. Reparations ended with the expiration of the Hoover Moratorium in 1932. In October 1933 Germany resigned from the League of Nations and the Disarmament Conference; in March 1935 Hitler introduced universal conscription, defying the clause limiting the German Army to 100,000; in June 1935 the bilateral Anglo-German Naval Agreement abrogated the naval restrictions; in March 1936 German troops occupied the Rhineland, demilitarized by the Versailles Treaty; and in November 1936 Germany regained full sovereignty over her own territory by denouncing the clause internationalizing the German rivers.

Treaty of St. Germain: Austria was deprived of three quarters of her territory, forced to recognize Yugoslavia and Czechoslovakia and to cede Southern Tyrol to Italy; conscription was abolished, her army limited to 30,000 and her armaments to the output of one factory. All the military provisions have been exceeded, however, and Chancellor Schuschnigg proclaimed conscription "with or without arms" in April 1936.

Treaty of Trianon: Hungary became land-locked, lost two thirds of her territory, had her army reduced to 35,000, and was almost totally disarmed. She has not built up her army beyond the treaty limitations, but in 1928 and 1933 consignments of rifles and machine guns from Italy were discovered and in November 1935 Italy and Austria agreed to back her demand to rearm.

Treaty of Neuilly: Bulgaria was forced to reduce her army to 20,000, to surrender territory to Roumania, Greece, and Yugoslavia, and to restrict her armament to the output of one factory. She was a model treaty-observer until November 1935, when the Neuilly terms were denounced at a mass demonstration.

Turkish Treaty of Lausanne: By this, new frontiers were set for Turkey; she was forced to recognize the British annexation of Cyprus, and both sides renounced any claims to damages. The treaty is still intact.

Pacts to Preserve Peace

The League Covenant: Signed as a supplement to the Treaty of Versailles, it now has 58 adherents. Most of its vital provisions, however, have been evaded. Member nations have gone to war, treaty obligations have not been "scrupulously respected," territorial integrity has not been preserved, disputes are seldom submitted to arbitration, many treaties are not being registered, and unfair treaties, such as Versailles, have not been reviewed.

To its credit, the League can claim the settlement of the Corfu incident involving Greece and Italy in 1923, the Greek-Yugoslav frontier incident of 1925, the Colombia-Peruvian and Anglo-Persian disputes of 1933, and the crisis between Yugoslavia and Hungary in 1934 after the assassination of King Alexander.

These have been outweighed, though, by its failure to stop the Chaco hostilities, the Japanese invasion of Manchuria, and the Italian conquest of Ethiopia. Revision of the Covenant is now under consideration.

Optional Clause of the Statute of the Permanent Court: Since 1920, this has been signed by 42 nations, including Germany, all of whom agree to recognize as compulsory the Court's jurisdiction as to the interpretation of a treaty, any question of international law, and the existence of, and punishment for, any breach of international obligations. It is still in force—at least theoretically.

Locarno Treaties of 1925: The Security Pact, the most important of three pacts signed and ratified by Belgium, France, Germany, Great Britain, and Italy, guaranteed the status quo on the western German frontier. The pact virtually collapsed with the remilitarization of the Rhineland; efforts are now being made to revive it.

Kellogg-Briand Pact of Paris: Originally signed in August 1928, it has been ratified by more than 60 nations, who agree to renounce war as an instrument of national policy and to settle all disputes by peaceful means.

The General Act: Signed a month after the Kellogg Pact, it provides for the pacific settlement of disputes by conciliation, arbitration, and judicial action. Ratified by 22 nations, it is still in force but seldom utilized.

Spanish Non-intervention Agreement: France, Germany, Great Britain, Italy, and Russia agree not to give aid to either party in the Spanish civil war, and a scheme of international control went into effect on April 18. Despite flagrant violations, the agreement has been credited with having prevented or delayed a general European war.

Pan American Treaties: The Gondra Treaty of 1923, signed by 19 of the 21 American states, provided for voluntary conciliation. In 1929, two treaties for inter-American arbitration and conciliation were drafted at Washington. The Saavedra Lamas Anti-War Pact of 1933, adhered to by 30 states, restates the Kellogg Pact but substitutes "war of aggression" for "war as an instrument of national policy" and declares that territory gained by war will not be recognized. Two treaties, one protocol, and seven conventions were signed by 21 American nations at Buenos Aires, December 1936. The adherents promise to consult whenever peace is threatened anywhere; to form a united front in case of an American war; to unite against any intervention in the affairs of another American state; and to act together whenever American peace is disturbed. The provisions for neutrality, however, are not concrete.

From Paris to Moscow

Franco-Belgian Agreement: This military alliance, concluded in 1920, was reduced to a consultative pact in March 1936, and dropped when Belgium declared her neutrality in October 1936.

Franco-Polish Alliance: Made in 1921, it was badly shaken by the German-Polish agreement of 1933, but was recemented by General Rydz-Smigly's visit to France in September 1936.

Franco-Czechoslovakian Alliance: Signed in 1924, it has been weakened by German rearmament but still remains in force.

Franco-Soviet Treaty: After the breakdown of the Eastern Locarno proposals in May, 1935, the two powers mutually pledged armed aid in case of "unprovoked aggression" within Europe; it is limited to the actual violation of a signatory's territory. Although aimed at Germany, it does not exclude the adherence of that nation. Russia has recently sought to extend it into a military alliance.

France has also near-alliances, labelled as treaties of friendship and arbitration, with Yugoslavia and Roumania.

Russia has also non-aggression pacts with Turkey, Latvia, Lithuania, Estonia, Poland, and Italy.

Little Entente: Czechoslovakia and Yugoslavia joined with Roumania in 1920 and 1921 to form the Little Entente, linking themselves together by a series of three bilateral alliances, the object of which was to maintain the treaties of Trianon, Neuilly, and St. Germain, and hence their post-war territorial gains. German rearmament and economic penetration, the Czech-Soviet treaty of May 1935, and the Italian-Yugoslav agreement of March 1937 have weakened the Entente; nevertheless, it regularly asserts its unity.

Balkan Entente: The Pact of Balkan Understanding, by which Greece, Roumania, Turkey, and Yugoslavia mutually guarantee the Balkan frontiers, came into being in 1934 to replace the original pact of two years earlier.

Along the "Rome-Berlin Axis"

Rome Protocols: Initiated in 1934 and strengthened in 1936, these provide for political and economic cooperation between Italy, Hungary, and Austria and aim at bringing the latter two nations within the fascist bloc.

Austro-German Treaty: This agreement, concluded in July 1936, recognizes the independence of Austria and her right to freedom from interference in her domestic affairs. In that it also refers to both nations as Germanic, many see in it a deceptive prelude to *Anschluss.*

Italo-German Agreement: In October 1936, the two fascist powers agreed to collaborate in matters concerning their parallel interests, to defend European civilization against communism, to maintain the territorial and colonial integrity of Spain, and to cooperate in the Danubian region within the framework of the Rome Protocols and the Austro-German Agreement.

Berlin-Tokyo Pact Against Communism: Despite the suspicions of the anti-fascists, the German-Japanese agreement of November 1936 disavows any military alliance, and it is claimed to be directed against the Communist International as distinguished from Soviet Russia. It has proved unpopular in Japan and was partly responsible for the fall of the Hirota Government.

Italo-Yugoslav Treaty: The signatory powers agree that, for five years from the date of its signature, March 1937, they will respect each other's boundaries, remain neutral in the event of either being attacked by a third power, and seek agreement on common measures when their common interests are threatened. Representing an attempt to wean Yugoslavia away from the Little Entente, the success or failure of the treaty is not yet apparent.

IRELAND'S TRADE WAR

The economic battle with England ends just about where it started

By WILLIS B. MERRIAM

AN ECONOMIC war may be almost as devastating to a national economy as a conflict with shrapnel and gas. A case in point is that of the trade war that raged from 1932 to 1936 between England and the Irish Free State.

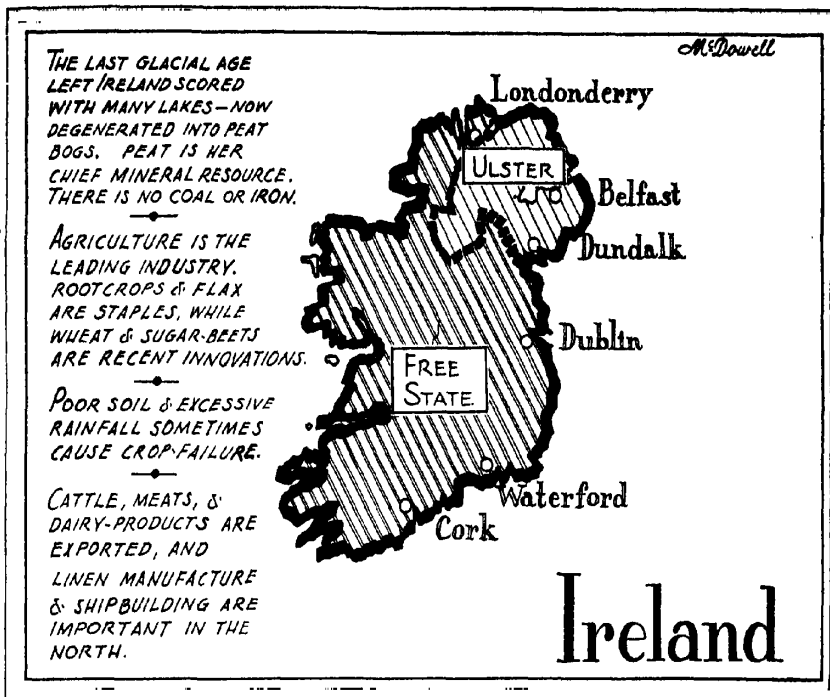
The key to the misfortunes of Ireland is its geographical situation as a European outpost, near enough to England to enforce connection, but far enough away to discourage intimacy. Although a peripheral location and the growth of a distinctive culture have played an important part in Ireland's national economy, these factors by no means represent all of the story. Ireland's physical environment and resources have placed their stamp indelibly upon the economic culture pattern that has developed.

Physiographically Ireland consists of 32,000 square miles of area, made up of central plains, rimmed with hills both north and south. In the plains country, glaciation and heavy rainfall have resulted in poor drainage, bogs and shallow lakes, and a leached and acid soil, all somewhat inimical to most forms of agriculture.

Its climate is definitely temperate marine in type. Lying as it does directly in the path of warm southwest winds, temperatures are modified, resulting in mild winters and cool summers. Ireland receives rather more than its share of rain, the precipitation varying from 36 inches in the eastern parts to 60 or more on the west.

In spite of certain deficiencies, the best and almost only important resource is the soil. The few minerals and forests which Ireland possessed have for the most part long since been consumed. Coal and iron are exceedingly scarce. Rural Ireland depends largely upon peat for a cheap home fuel. In spite of heavy rainfall, Ireland does not possess good hydro-electric potentialities. It has few good rivers, large enough or with sufficient fall to harness.

After Ireland was subdued by Cromwell in 1652, England rather boldly imposed her commercial system on Ireland. It is entirely possible, however, that even these historic features could have been overlooked or overcome had the island possessed an abundant natural wealth. Because of physical and climatic handicaps, Ireland's population has tended proverbially to outgrow its means of subsistence. Agricultural uncertainty and risk and lack of opportunity have combined to cause a great deal of political unrest, entirely removed from irksome English commercial policy. The historic solution to these problems in Ireland has been to migrate or revolt. Both have been indulged in in major proportions.

As Ireland stands today politically, Northern Ireland or Ulster, remains loyal to Great Britain and is content with an unaltered status. The Irish Free State comprises the balance of the island and since 1922 has held dominion status. The differences between the two are largely cultural. The estimated population of Ulster in 1934 was 1,280,000 as compared with nearly 3,000,000 in the Free State. In the Free State the Catholic faith claims 92.6 per cent of the population. In Ulster the number of Catholics according to the 1926 census, was 420,428. Protestants, chiefly Presbyterians and Protestant Episcopalians, numbered 836,134. It is this combination that has kept Ulster loyal to

Britain. It is significant, however, that Catholics constitute the largest single denomination even in Ulster.

As in the Free State, the dominant economic basis is agriculture. Production includes the typical northern root-crops and grains, potatoes, hay, turnips, oats, and flax in order of tonnage produced. Industry is centered at Belfast where linen and shipbuilding offer the main outlet.

The "Normal" Situation

Agriculture of a specialized and intensive nature is the keynote to the national economy of the Free State. Because of the cool, moist character of both climate and soil, root-crops are normally better adapted to Irish economy than cereals.

Taking as essentially normal the pre-depression average of 1926 to 1929, a cross-section of Irish Free State development would show that while only 73 persons out of every thousand were engaged in farming in England and in Wales, the Free State had 514 thus employed. Some 3,856,000 acres were under crops, or about 22.6 per cent of the land area. Root-crops were th big standby—potatoes, turnips, mangels and sugar beets, making up the bulk o production.

Most of the Free State consists of a grass land environment; hence it is primarily a hay and grazing country. More than two thirds of the available land is in pasture The market for the beef and mutton pro duced is primarily England. Along witl a grazed animal economy, the dairy in dustry has thrived. Irish butter has bee sold to England and the continent for ove a century.

Nearly every Free State farm has a fev pigs. Pig production is almost a by-produc industry, nevertheless some two millio are marketed annually, and the pig i popularly referred to as "the gintlema that pays the rent." Poultry and egg ex ports complete the list of major agricul tural products.

The chief manufacturing industries ar centered around the preparation of dair and meat products. The export trade con sists almost entirely of products from th

farm. For these England, whose manufacturing centers are only 24 hours away, has long been the best market, taking 83 per cent of the total, with industrial Northern Ireland taking an additional 11 per cent.

Imports included foodstuffs which could not be produced at home: wheat, flour, corn, sugar, tea, a wide range of manufactured goods, and coal, 80 per cent of which were supplied by Great Britain.

The total commerce of the Irish Free State from 1926 to 1929 averaged $210,000,000 in exports and about $295,000,000 in imports. This definite excess of imports over exports even during a prosperous period indicates a distinctly unfavorable balance of commerce. It is true that invisible factors in the form of remittances, pensions, and tourist expenditures would tend to minimize this difference, but nevertheless the situation remains a source of economic hazard.

Trends Since 1930

Since 1930, however, the "normal" pattern of national economy has been altered quite radically. Obviously the basic reason for certain revolutionary trends in the past few years has been the world-wide depression. The Irish Free State, under the stormy De Valera government, has been inclined to blame Great Britain for everything and, acting on that assumption, has proceeded to attempt the development of a self-sufficient national economy, and break down a commercial pattern in which for years one general market—Great Britain and North Ireland—has supplied 70 per cent of the imports and taken 95 per cent of the exports. Some of the changes have been laudable; some have represented economic folly.

Attendant upon the world industrial and commercial slump in 1930, the buying power of Great Britain was sharply reduced. This loss of market was soon felt by the Free State. The results were drastically curtailed exports, falling prices in farm produce, unemployment, and an unsaleable agricultural surplus. There is no doubt but what the Free State farmers were hit hard by the depression, and Great Britain, having unemployment problems and economic crises to meet at home, paid slight attention to the plight of the Free State farmer. Partly by habit and partly through a valid feeling of neglect, a wave of resentment against Great Britain began once more to rise.

Early in 1933 President De Valera and his Minister of Industry and Commerce, Sean Lemass, launched a plan to create an economically self-sufficient country. The first drive of the new plan was intended to stimulate the production of foodstuffs. A program of wheat growing was drawn up by Minister Lemass, which was to make the Free State independent of foreign wheat supply. He pictured Ireland dotted with new flour mills. Agriculture and industry were to be further helped by the establishment of beet-sugar factories so the country would be capable of producing all its sugar.

After foodstuffs, clothing was to receive the Government's attention. Mr. Lemass told the Federation of Irish Manufacturers early in March of 1933 that he would not be satisfied until all the men's clothing, boots, and shoes, and most of the women's clothing were made at home.

No longer were Irish houses to be built of British cement, slates, bricks, and tiles. Irish slate quarries were to be opened immediately, and brick, tile, and cement plants were to be started without delay.

Although granting the desirability of widening the base of Irish Free State national economy, even the most uninitiated could see that some of the proposed plans to make the country self-sufficient were out of accord with the most efficient economic adjustment to natural resources and environment. Nevertheless, during 1933 some outstanding advances were made. Three new beet-sugar factories were started and plans drawn for a cement factory and lesser plants for the manufacture of electric appliances, as well as an additional shoe factory, a paper mill and two new flour mills.

Coincident with this movement in the

direction of economic self-sufficiency came a serious decline in foreign trade. The Free State escaped the worst of the world depression until 1932. When the trade war began with Britain in that year, the first marked decline in commerce made itself felt. By the early part of 1933 the total foreign commerce of the country had declined about £18,000,000. A big increase in the number of unemployed was also noticeable. It was this situation that was the incentive for the national self-sufficiency plan. Encouraged by the apparent success of a few new industries and driven by the continuation of a depressed British market, De Valera continued in the direction of self-sufficiency and a declining commerce.

In order to balance the budget in the face of falling trade and revenue, it became evident in 1933 that the only way to stave off the unpopular course of increasing taxation was by utilizing the annuity money which the Irish farmers were paying to the British to buy back the land taken from them two or three centuries before. By the end of the year 1933, the Free State had withheld over £7,500,000 in annuities, while Britain through reciprocal penal duties against Free State produce, collected £5,572,000. If some £3,000,000 paid in bounties by the Free State be added to the duties collected by the British, it will be seen that financially the Free State gained little by withholding annuities.

Early in 1934 a trade emissary was sent from Dublin to Washington to investigate the possibilities of increasing direct trade with the United States. The Free State merchant marine (one ship) was sent to Boston. The usual mutual admiration procedure was indulged in, and both parties went their ways. The United States would be glad to sell to the Free State, but there did not seem to be much the United States wanted from Ireland.

With a continuance of effort to build new industry in the Free State during 1934, some radical changes were proposed in agriculture. A vigorous campaign was directed toward ridding the country of

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AN IRISH BY-PRODUCT: The pig is popularly referred to as "the gintleman that pays the rent," and the farmers shown above are preparing for the landlord.

large-scale cattle raising. Government spokesmen indicated that the Free State must no longer be given over to the production of cheap meat.

Despite talk of diversification as indicated in the De Valera slogan, "Grow more wheat, beets, barley, and oats, and raise fewer cattle," the fact that the government was keenly aware of the loss of the cattle market is shown by the strenuous efforts made to find substitute markets on the continent. A few consignments of Irish cattle were shipped to Germany and Belgium, but no trade of any importance resulted.

Industrially, during 1934, progress to-

ward self-sufficiency continued. "Scarcely a week passes," wrote Hugh Smith, able interpreter of Ireland for the *New York Times,* on May 25, "without the opening by Minister Sean Lemass of a new factory in some part of the country. Production of clothing of all kinds is now almost above the country's needs."

After two and a half years of trade war, the Free State entered 1935 firm and unweakened in its determination to fight to a finish. To demonstrate the foreign commerce results of the war, the total imports have been reduced 57.6 per cent. Wheat reached its low in 1932. Since then, in spite of dreams of self-sufficiency in wheat, the import of this much-needed foodstuff has increased. The import of bacon and hams has been cut out entirely, but this merely means that with a badly reduced market the Irish are eating their own better quality pork products. Sugar import has been sharply reduced owing to a great extension of the home grown sugar beet. Coal from British mines also fell off. Unable to buy coal, Irish home-owners heated their homes with "patriotic peat."

Exports show an even more drastic slump, with a general decline of 74.7 per cent from 1930 to 1934. Cattle, the big agricultural export product, declined nearly 82.26 per cent, and some other products even more.

Probable Outcome

Obviously such a condition could not long endure in spite of nationalistic determination. In January of 1935 President De Valera's disposition to negotiate trade agreements was credited in the English press to the gravity of the Irish Free State's economic situation. The completion of what was termed the coal and cattle understanding between Great Britain and the Free State opened up a welcome change in relations. For President De Valera and his ministers to arrive at such an understanding, in view of their many declarations decrying the value of the British market, was no doubt a difficult task.

A remarkable feature of this understanding was the reluctance both governments displayed toward disclosing the terms of the pact. However, it was revealed that an outlet would be provided for 150,000 cattle in exchange for a free market for 1,100,000 tons of coal.

Again, in February of 1936, another significant trade agreement went into effect. This agreement gave the Free State farmers an increased market for cattle with an appreciable reduction in British penal duties on other classes of goods. The gains, however, were obtained only at the expense of conceding substantial monopolies to Britain, and in the agreement to pay up the annuities and other moneys withheld by the De Valera government.

The Free State has gained some things as a result of its nationalistic spree of the past five years, however. Its industrial base has been broadened; a change for the better in agriculture is evident. The larger cattle farms have been reduced in size, the remaining feudal holdings have been broken up, and more intensive and efficient methods of production have been introduced.

This toning up of agriculture will probably be of lasting benefit. One is not so sure about the future of some of the new industries. With a return of agricultural prosperity, already evident, buying power may be raised to a point where the industries will thrive. However, with a return of better economic conditions and their consequences, a lowering of trade restrictions, it is strongly to be suspected that many of the new industries, born in a wave of nationalism may prove to be so marginal that they will have difficulty competing with more favorably located plants.

By and large the Irish Free State's trade war of 1932-1936 will go down in economic history as a classic example of a nation that tried to stem the current of an almost deterministic economic set-up, and that, after struggling valiantly for four years, came ashore at just about the same spot where it started out.

YOUR FUNDS AND MINE

Defects in our banking system are threats to prosperity and stability

By JOSEPH E. GOODBAR

YOUR funds and mine, on deposit in the banks, provide investment bankers with loans which they often use to buy up control in corporations for themselves. Frequently these corporations really represent your investments and mine. This is indeed financial magic, but the methods employed in this legerdemain are by no means uniform. Sometimes a holding company was organized, borrowed bank money to buy control, and then issued bonds which were sold to the public to raise money to repay the purchase loan. Of course, control was retained by the investment bankers. In other cases, control was acquired with borrowed funds—your deposits and mine—and repayment accomplished through profits partly collected from the corporation and partly realized through informed buying and selling of the stock on the stock exchanges. In nearly all cases, however, control was purchased with funds borrowed from the banks. It was essentially your funds and mine that were loaned to Wall Street, State Street, and La Salle Street, and which were used to concentrate there an increasing degree of control over the industries which our investments had created.

An example of the use of bank credit in gaining control, and of abuse of control after its acquisition, was given by Joseph P. Kennedy, former Chairman of the Securities and Exchange Commission, in an article in which he told of a group of New York investment bankers who in 1929 purchased a large interest in a leading utility for a high price. A corporation was formed one year later to hold this interest. "*About $20,000,000 had been borrowed from banks to make the acquisition.*" (italics mine)

Having acquired control, continued Mr. Kennedy, the group forced the utility to pay dividends to them on its stock during the depression, although it was earning no profits. A large issue of notes was payable in 1935, but because the utility had been financially drained by these unearned dividends, it was unable to pay the notes when due. A five-year extension could have been secured easily, and at virtually no cost to the company, but the group in control adopted a procedure which ultimately cost the utility about a million dollars in expense, plus "commissions" of a half million dollars paid to the controlling investment banker group.

To prevent such practices, it has been proposed to abolish investment banker control over corporations—a proposal easier to suggest than to accomplish. Even if put into effect, it would not correct the fundamental defect of modern corporate organization: there is an inevitable separation of the management from the real ownership when voting stock is widely scattered. It is peculiarly difficult for managing officers who have little or none of their own money involved to feel a strong sense of responsibility to the nameless mass of anonymous investors who really own the company. Excluding bankers from control would not solve this problem, though it might improve the situation some.

Concealed within this sleight-of-hand banking practice, however, is an economic poison far more serious than the mere misfeasance of bankers in dealing with particular companies. It cannot be denied that, in the most favorable aspect, this borrowing of your funds and mine for the purchase of control in corporations puts the investment banker in a position to skim off a great deal of rich cream from the daily economic milk. More serious, however, is

the fact, which will shortly be made evident, that this process not only skims off the cream, but also poisons the milk at its source.

Preceding every financial crisis and economic breakdown in this country and in Great Britain, during the past hundred and fifty years, was a protracted period during which bank funds were loaned freely to finance speculation and investments. Essentially the financial process was the same then as now—banks funds were borrowed to buy land and securities and to construct houses, factories, railways, canals, docks.

In Great Britain, however, the banks long since have voluntarily ceased to make such loans, except occasionally and in comparatively small amounts. This shift was a gradual process, and represented merely the crystallized experience of observant and careful bankers. They had found that their losses from loans on new construction, and on fixed assets were larger in times of depression than their profits from such loans in good times. Banks that failed to learn the lesson ultimately failed, also, to remain solvent. Experience caused British bankers to limit their private loans almost entirely to borrowers desiring funds to finance the production and sale of such quickly consumed goods as food, clothing, and similar items. The restriction of bank loans to such "self-liquidating" purposes was followed, in England, by a great improvement in the stability of employment as well as of finance. The last bank failure in the British Isles occurred in 1878, and since 1866 that country has largely been free from extremes of booms and depressions.

Most of the attempted explanations of this superior safety of so-called "self-liquidating loans" on consumer goods have failed to reach the true distinction that sets them apart from loans on capital goods (fixed property). The most widely accepted explanation has been that the advantage of "self-liquidating loans" over other kinds of loans lies in their greater "liquidity." Since consumer-type goods come quickly to market, they are soon turned into money, thus providing prompt means for repaying the loan. This, of course, certainly does make for liquidity.

American bankers generally accepted the idea that "liquidity" of collateral is the important element in determining whether or not a loan is suitable. They regarded the British as simply old-fashioned in adhering to the idea that "liquid" collateral must also be "self-liquidating." As viewed in this country, a "liquid" asset is one which is readily sold in the market. If salability be the test, then what could be more desirable, as security for a bank loan, than stocks and bonds listed on the security exchanges?

You will notice, then, that in Britain the banks look to the intended use of the loan and customarily refuse to lend their funds to private borrowers except for "self-liquidating" purposes. In this country the banks simply ask, "Is the security salable?" If so, they care nothing about the use the borrower intends to make of the funds. In this country, then, a broker or an investment banker has had no difficulty in good times in borrowing money to buy securities, or to underwrite a new issue of securities, while using as collateral the very securities he is buying! This monetizing of fixed assets is not encouraged in British banks. Recently we have imposed a percentage limitation — which impedes the process, but does not prevent it.

Transmutation of Gold

In America this transmutation of fixed property into liquid bank deposits — the equivalent of gold—reached its culmination when real estate bonds were invented —and were accepted by the banks as sufficiently salable to satisfy their ideas of "liquidity" in collateral. The cloistered alchemist of the middle ages, in seeking to transmute lead into gold, never dreamed of anything like this. Bricks, machinery and real estate—monetized by modern financial magic and transformed into bank deposits which could be exchanged for gold, and which had purchasing power equal to gold! This is, indeed, a veritable transmutation of base materials into gold—and it is part and parcel of the very process whereby

your funds and mine are used by investment bankers to acquire control over the corporations your funds and mine have financed and built up.

The trouble with such financial alchemy is that it disturbs the circulation of money and upsets the balance of our machinery of production.

Let us look for a moment at this money circulation, and find out why it cannot be disturbed without adversely affecting business in all its aspects. The term "money" is used in its broader sense, so as to include not only coin and bills, but also those demand bank deposits which are subject to transfer by the use of checks.

In a modern industrial society, economic activities are inseparable from the monetary flow. Aside from a few unimportant exceptions, every transfer of property, every performance of service for wages or salary, involves a payment of money at or near the same time. The movements of money through the economic processes accurately indicate the magnitude of the transactions that occur. If for any reason the financial mechanism fails to provide buyers with money to pay for their purchases, there is a corresponding impairment of business. Production and sales cannot rise higher than the total money supply that comes to the hands of all the people.

There is sufficient income, however, to pay for all we produce if all the money paid out in production, including the earnings of investors and of management, is permitted to flow back again as payment for services and goods produced. Trouble arises when this flow, in either direction, is disturbed.

A certain portion of this monetary flow comes to you and to me as our share in the earnings from this gigantic process of producing goods and services, and of distributing them for their equivalent in money. We retain our portion for a more or less brief interval of time, after which we return it again to the general stream in payment for the goods and services we desire most. If, however, we should for some reason fail to return all of our income to the monetary stream, there would be a corresponding reduction in the amount of money paid back for the fruits of production. This smaller flow of money would not provide enough purchasing power to take up total production. Diminishing the flow of money causes a corresponding shrinkage in business and in employment.

Suppose you "save" part of your income. After you have paid all your normal living expenses, there is something left over. The aggregate amount of such savings is tremendous. Does such saving of money mean that you are taking money out of the monetary flow? Does it necessarily imply that production of goods and services will be curtailed? Or do these monetary savings find their way back into circulation?

If people treated their money savings as your dog does a bone and buried their money out behind the woodshed, money would be taken out of circulation and lead us in the direction of national bankruptcy. Money is not hoarded in this way, however, in the absence of fear that it might otherwise be lost. The natural instinct of saving is to acquire funds that may profitably be employed. The thrifty individual will either invest his money himself or put it in the hands of some savings bank or other financial institution to invest for him. In normal times, some kind of investment promptly occurs and this restores the money to circulation.

Savings and Economics

Savings of money do not possess reality or substance until they correspond to an equivalent supply of new capital goods. While the person who saves is usually distinct from the person who invests, there is nevertheless a set of economic forces which tends to produce equality in the amount of saving and of investment—provided the circulation of money is free from artificial disturbance.[4] The economic need for new capital goods induces a corresponding stimulation and expansion in the volume of monetary savings. Some saving, it is true, is caused by a simple and natural desire to store up buying power against future need

and is not affected by the intensity of economic need for new capital goods. Nevertheless, a very large portion of our savings finds its motive in a desire for new homes, new business ventures, new income-producing investments. If the individual wants and needs new capital goods for his own use, he practices economy to acquire them. If the business leader wants funds to satisfy a new need for productive capacity, then he stimulates savings by the glowing prospect of profits which he holds out to investors. In response to the need and desire for new houses, improvements, and equipment, the volume of money savings necessarily rises and falls. The resulting total is a natural yardstick which indicates, with substantial accuracy, the amount of new investment needed to satisfy the economic appetite of our people.

If this be true, then the artificial injection of billions into the investment field, through the monetizing of fixed property by financial magic, means a gorging of the nation's economic appetite. Monetizing fixed assets has two highly disrupting effects. It inflates the prices of existing capital goods, and at the same time it creates an excess of competition that sooner or later destroys the earning power of existing capital goods. Artificially-induced new capital goods not only undermines and often destroys earning power of pre-existing businesses and investments but finds itself unable to earn its own fixed charges, to say nothing of profits or dividends. Once this situation has clearly developed, inflated stock market prices necessarily crumble.

Capital assets cannot be transmuted into liquid bank deposits without inflation in capital goods prices, and excess production of capital goods. No financial cathartic has yet been discovered which can rapidly and painlessly clear the economic system of any large amount of indigestible housing and equipment. You can't plough under every third factory or row of houses. The profits which first flooded the banks, from the use of their new technique in monetizing buildings and even land, were taken away with usury in the resulting crash. Theirs was a technically successful surgical operation on the financial and economic world. A temporary miracle of activity ensued. But the patient died, a bankrupt, and his estate was unable to pay what he owed to the surgeon bankers.

Protecting the Future

Your future and mine cannot be separated from the future of our country. Nor can our country's future be separated from the consequences of financial policies practiced by our banking system. The liberal political institutions which we Americans have heretofore taken almost for granted are all predicated on a reasonable degree of economic security for the thrifty and the energetic. Unless we free our banking system from the defects which defeat the natural forces of stability and prosperity there is little reason to hope for the continuance of those liberal institutions, and perhaps no reason to desire it. Security in the opportunity to make a living is at least as important as security in the opportunity to vote. Both are heavily involved in the need for correcting the disrupting defects of American banking.

It would be undesirable to permit the monetizing of real estate and of other fixed assets, even assuming the only undesirable feature to be the fact that it occurs in the process of using your funds and mine for the advantage of investment bankers, who thus gain control of corporations in which they have little or no investment.

If the relationship between this kind of financial practice and the production of booms and depressions were clearly understood by the banks and by the investment bankers themselves they would probably cooperate in making the necessary changes in policy. Banks lost far more heavily during the depression than they profited during the preceding boom. They have no motive and no desire to promote economic disaster. But the possibility of convincing sixteen thousand separate boards of directors of this relationship is remote. The protection of your funds and mine properly lies in appropriate legislation.

INDIA IS THE PEASANT

The Government may realize that it can be no stronger than its own backbone

By F. M. DE MELLO

WHO is India? Lord Linlithgow, present Viceroy and Governor-General, in a little book published some years ago, answered the question thus: "It may be said with truth that the ryot is India." Not the princes with their pomp and pageantry, nor the politicians with their problems and panaceas, nor the millionaires, merchants, and manufacturers; none of these, but the "ryot" or humble peasant. That far-sighted if domineering Viceroy, Lord Curzon, in a farewell speech delivered at Bombay in 1904, declared that "the ryot should be the first and foremost object of every Viceroy's regard."

But during the last thirty years, though the ryot has not been completely forgotten, he has not received the attention he deserves. The Government has been busy with politics—the appeasement of the clamorous few. The politicians are not, and probably never will be, satisfied. In the meantime the plight of the peasant is so bad that the Government is driven, for fear of a discontented uprising of the masses, to take action on all fronts to improve the Indian agricultural situation.

In their endeavour to impress the public the officials are not sparing of theatrical effects. To greet "the peasant's Viceroy," Lord Linlithgow, a mob of peasants from the Bombay Presidency was assembled at the Gateway of India. Thus was the chairman of the Royal Commission on Agriculture in India given an appropriate welcome on his return to the country as its Viceroy. In his first broadcast address to the nation —really to the fifty thousand or so who possess radio sets—the Viceroy spoke of his great interest in and solicitude for the peasant. Almost immediately he gave a couple of breeding bulls to the country to improve the cattle, and a few days later made the shocking discovery that city children go to school without food. There were many speeches on nutrition and the awful lesson to be drawn from the fact that only 20 per cent of the people of India can be said to be well nourished. Other aspects of country life and agricultural conditions have come under review, and from time to time the Viceroy expresses his concern in speeches and addresses to conferences of Government officials and public bodies. Perhaps they will heed his word more than his report as chairman of the Royal Commission published in 1928. That report, running to 756 pages of acute observation and practical recommendations for improvement, was reverently buried in official pigeonholes and completely forgotten.

There is every reason why the report should now be exhumed and read sedulously by the officials. Not only does promotion and preferment depend upon it—and many gentlemen seeking honors and titles and success in business are following the Viceroy's example of making presents of breeding bulls to their neighborhood—but the political situation demands it. In spite of the much-vaunted benefits of British rule—taught in officially prescribed textbooks to school children—the economic condition of the people is deteriorating year by year. Loss of life in war has been saved by the *pax britannica*, but the loss of life by famine and imported epidemic and the slow starvation of people struggling desperately against nature are real menaces. The fall in commodity prices has intensified rural problems. There is growing discontent against the landlords and the money lenders which nationalist organizations are eager to divert against the Gov-

ernment. So the Government is forced to impress the people with what it is doing for them.

For the last hundred years, an economist tells us, the world has been fed below cost price, if we take into account the proper elements of cost. Whatever the applicability of this dictum to the capitalistic agriculture of western countries, it is without the slightest doubt true of Indian agriculture. Today the Indian cultivator produces at a loss. If we take into account the uncertainties of the monsoon, the frequency of cattle mortality, and the fickleness of prices, agriculture is not a paying proposition. The Indian sticks to it not because it is profitable, but because it is the only mode of life available to him.

Low Land Output

The net return from raising food crops is appallingly low, even in normal years, and with present prices it is often a minus quantity. Most of the area under cultivation today has been cultivated for hundreds of years and must have reached its state of maximum impoverishment many years ago. The ryot does not manure it partly because the fields he cultivates may not be his own and partly because cowdung, his cheapest manure, appears more valuable to him as domestic fuel. The vagaries of the monsoon are well known. There may be a drought one year and floods the next. Irrigation supplies a partial corrective. The Government has spent nearly 150 crores of rupees (one rupee, 36½¢) to bring about thirty million acres of land otherwise uncultivable under the plough. But in addition to unreliable water supplies there are hailstorms, frosts, wild animals, locusts, rats, and other pests to destroy crops. Then there are antiquated methods of tillage. The implements in use are primitive, like the wooden plough and the hand sickle. Threshing is carried out either by hand or by beating the grain on a piece of wood, or by oxen which trample the grain underfoot. The cultivator has no money as a rule for modern implements. The indiscriminate breeding of cattle, the spread of cattle disease through lack of isolation and the practice of fallowing are other evils. The Indian's reverence for life prevents the extermination of inefficient cattle. So while the average weight of cattle in the United States is over 1,400 pounds we find Indian cattle weighing from 425 to 750 pounds.

So the Indian cultivator's difficulties, some of which are certainly self-caused, explain the low output of his land. India produces 13 bushels of wheat per acre compared to 31.2 in England and 39.0 in Denmark; 900 lbs. of rice per acre compared to 1,090 in the United States and 2,477 in Japan; 98.0 lbs. of cotton per acre compared to 141.0 in the United States and 353.0 lbs. in Egypt. An Indian economist has calculated that the average production per acre of British India, including irrigated crops, is only one-sixth that of Japan.

Upon this low production 350 million people have to be fed, and 70 per cent of them find employment. It is estimated that only three-fourths of an acre per head of population in British India is under cultivation for food. And it is expected that the population will be 400 millions in 1941. The situation is becoming serious. A few years ago an agricultural expert who examined a representative Deccan village found that only eight families had sufficient income from the land they owned; 28 families lived from hand to mouth, supplementing their income from sources other than agriculture; and 67 families were in hopeless destitution. Despite the Maharajas and millionaires who strut on the world's stage, giving the impression abroad of great wealth, India is the country of the poor. What the people eat is suggestive of their economic status. A research worker on nutrition, Colonel McCarrison, discovered some interesting facts when he investigated diets representative of people such as Sikhs, Marathas, Pathans, Gurkhas, Bengalis and Madrasis. He fed rats with these various diets, and he could at once see the difference between rats fed with the Sikh diet and those that had the Bengali diet. The Sikh rats were healthy, vigorous, and

Lionel Green

COMMON DENOMINATOR: India's peasants not only suffer from the meagre productivity of the soil, but are harassed by the landlord, the money lender and the Government official. The home of the family shown above is an alley in Kali Gats.

docile, but the Bengali rats were inferior in health and extremely irritable. So perhaps all the political trouble in Bengal is due to an insufficient diet!

The Human Equation

It is the human factor that is the most important, and yet it is the most neglected. The peasant, or ryot, works under the most heartbreaking conditions: not only does he suffer from the meagre productivity of the soil, but he is harassed by the landowner, the money lender and the Government official. The rapacity of the landlord, exacting his rent at all seasons, good and bad, the greed of the money lender who even falsifies his account books, when it is necessary to keep the ryot indebted to him for life, and the mercilessness of the Government official who sells the ryot out of house and home if the taxes are not paid are well-known features of country life. The ryot, ignorant, illiterate, improvident, is at the mercy of all his seeming friends. He has to bribe the poorly-paid official to do his duty. The official has others above him with whom he has to share the loot, and extracts the uttermost from people who are such easy victims. The money lender charges anything from 25 to 75 per cent as his normal interest on loans, and causes serious loss by forcing the cultivator to sell his crop to him when prices are low. The landlord puts up his rent and benefits from the improvements of his tenants and the growth of population. So great is the oppression of the money lenders that land is rapidly passing from the hands of peasant-proprietors. In the Punjab alone the number of rent-receivers has increased within a decade from 626,000 to 1,008,000. Land reform is a crying need of the day, but the Government is not interested in it. A law was passed against usury some years ago but no attempt is made to put it in force. The vested interests are powerful indeed, and the Government is not too keen on disturbing them in the enjoyment of their gains.

It is no wonder then that the ryot should become fatalistic in outlook, living in the

present and discounting the future. This is evident from his extravagant habits. Life is so dull that when a wedding or funeral comes along, the opportunity is taken for a riotous celebration. Not having any savings of his own, the ryot has recourse to the loan shark, and thus begins the decline of many an honest and hard working cultivator. Indebtedness brings many miseries and finally the necessity of seeking work in the industrial towns.

All these conditions make for inefficiency, but the chief condition of inefficiency is bad health and lack of resistance to disease. India is subject to many epidemics, such as plague, cholera, and smallpox, but more devastating than these are diseases such as malaria, *kala-azar*, hookworm, dysentery, tape-worm, and tuberculosis. The Government organization of medical relief is of rudimentary character. People tormented by disease and unable to secure medical assistance for miles around do not make good agricultural workers or businessmen.

Illiteracy a Problem

The only hope of all-round improvement in the countryside lies in education. It is sad to relate that only eight per cent of the people of India can read and write. It is a hundred years since Lord Macaulay wrote that famous Education Minute and the East India Company was committed to introducing English education in India. And yet the result is so insignificant. But in 65 years something like 81 per cent of the Negroes of the United States reached literacy. Within 40 years Japan was able to educate the bulk of the population. And we are told that the best the Government of India can do in a century is to educate eight per cent of the people.

Of course, when more than half the revenue of the country goes to support the Army, and of the rest a great deal is paid in salaries to civil servants of various kinds, the amount left for education is very little. Every province has a compulsory education act, but it is only on paper. There is no money to make education compulsory. The resulting ignorance and illiteracy of the people is a great handicap in their struggle for life and an insuperable bar to their improvement.

Whether it is the introduction of scientific agriculture, the organization of cooperative credit to eliminate the money lender, or improvement in hygiene and sanitation to conquer disease, India must wait until the people can be prepared by education to appreciate its utility. In the meantime the Government is trying some short-cuts. In the Punjab, for example, graduates of the agricultural colleges are being settled on the land at the public expense so that they may teach their neighbors how to improve production. In the Bombay Presidency there is a proposal to induce medical men to live in the villages by paying them a small stipend. The Government of India proposes in the near future to build a large number of radio stations to serve the countryside, much in the manner of Soviet Russia, for adult education purposes. The radio is, however, beyond the means of the average cultivator, and the Government will have to provide the receiving sets to the villages at the public expense.

Another great problem of the countryside is lack of employment. The agriculturist has at least three months of absolute rest in the year. There is further no attempt to save labor, and the land has to support a vast army of the unemployed who are useful only at the busy seasons of the year. Formerly this surplus population used to be occupied in the village crafts such as weaving, carpet-making, and metal work, but with the flooding of the Indian market by cheap goods from Britain and later from Japan, all local industry has been killed. India has a few large-scale industries, such as the cotton textile, iron and steel, and sugar, which exist only because of the protective tariff. They cannot provide sufficient work for the millions of the rural unemployed. And as public policy seems to be to keep India an agricultural country importing manufactured goods, even if agriculture is not

sufficiently paying to the people, industrialization is still in infancy. If there are no hunger marches and "bread or blood" demonstrations of the unemployed it is because the people have not begun to connect unemployment with social injustice. It was Mahatma Gandhi who first saw the necessity of secondary industries for the agricultural population. He organized the *khaddar* movement, encouraging people to spin in their spare time. But the political tinge he gave to the movement was unfortunate, for it aroused the antagonism of the Government. Today, however, the Government is itself trying to revive handloom weaving and other rural industries for the benefit of the cultivators who cannot get enough from the soil to live on.

Where the Money Goes

The prospect is, however, by no means hopeful. The bulk of the Government's finances, raised from the agriculturists and other poor classes, is spent on the civil services for the maintenance of law and order and little more. For example, in the province of Assam, 97.7 per cent of whose population is agricultural, only one per cent of the total provincial expenditure is allotted to the department of agriculture. The constitutional reforms which are to be introduced in 1937 are expected to cost some crores of rupees, in payment to members of the legislatures and to a new staff recruited to handle fresh political business. And yet the economic condition of the people does not show the improvement from which the additional taxes to pay this could be found. India used to have a favorable balance of trade, but now the balance is unfavorable. Without the exports of gold in the last five years India would have been in serious currency difficulties. The total quantity of gold exported by India since Great Britain went off the gold standard amounts, at the end of October 1936, to 2,868,687,910 rupees. The Indian woman is selling her jewelry, used as a savings account, to liquidate her husband's debts.

Nevertheless the bones are stirring. The Government is feeling that passivity in the face of visible economic distress is dangerous. A grand gesture was made in 1935 in setting aside a crore of rupees from the central budget for rural development, and the gesture was repeated in 1936. These grants are little more than gestures, for the country is so vast and the problems so complex that two crores of rupees are totally inadequate for serious rural reconstruction. Most of the money is absorbed in the salaries and travelling allowances of the officers sent around to report on the scope for reconstruction. The provincial Governments are likewise getting busier of late, improving roads and water supplies, organizing the distribution of improved seed and implements, attending to cattle-breeding, eliminating pests, etc.

In the Council of State recently, Sir Phiroze Sethna, a Bombay financier, raised a debate on poverty and unemployment, censuring the inactivity of the Government in the face of the economic depression. His particular anxiety was that owing to this inactivity the socialists find discontented people to listen to their tirades on capitalism, and thus the ground is being prepared by Pandit Jawaharlal Nehru and his fellow-Congressmen for a social revolution. It is to be feared, however, that the length to which the landowners and money lenders are prepared to go to conciliate the poor is not much, and their hope is that if the Government organizes counter-propaganda all will be well. This is a mistaken notion. Though ignorant and without defense against the secret oppression of the upper classes, the Indian cultivator can understand a thing or two about the private ownership of land and capital and the evils resulting therefrom.

So far Pandit Nehru has been restricting his activities to the towns, but it will not be long before he reaches the countryside. The Indian peasant is suffering from the accumulated evils of centuries, and he is putting up as best he can with the burden imposed by the vested interests. But it would not take very long to throw off the traditional burden.

The CULTURAL BAROMETER.

By V. F. Calverton

THROUGHOUT the ages the career of the artist in literature, painting, sculpture, music, has been a most difficult and lonely one. A great genius, a Phidias, a Praxiteles, a Raphael, a Michelangelo, a Shakespeare, a Rodin, a Rivera may succeed without having to endure a great deal of the cark and crucifixion which most artists, even though richly talented and eloquently endowed with imagination and insight, have had to experience in order to achieve recognition and esteem. Without doubt, that cark and crucifixion forced upon the artist by a world obstinate to his talents, have resulted in denying every nation of much of the beauty and wonder to which it might have given birth. The artist, like every other human being, needs an appreciative environment to encourage his work. Although most generations have produced artists of unquestioned greatness, there is abundant reason to assume that every generation has killed just as many great artists who were unable to weather the poverty and obscurity which was their lot.

A most revealing volume could be written about the relationship between art and business, and also about the artist and his business propensity. One of the first things such a study would reveal would be that the artists who have succeeded have managed in the majority of cases to do so by virtue of their business associations, and that most great artists — a Michelangelo or a Diego Rivera are excellent illustrations—are good business men at the same time. In other words, an artist, however good or great, who has no business sense, has very little chance of achieving the distinction and acclaim which are his due. If, by some happy caprice, posterity smiles upon him, the hard-bargaining dealers and dubious art collectors may prosper as a result of his accomplishments.

What all this means is that through the ages the artist in every field has suffered from an insufficient market for his wares. The populace in general has dismissed if not scorned him, and the few who have been in a position to appreciate him, esthetically as well as economically, have been too few to support him in his endeavors.

Too many people forget that it has only been within the last hundred and fifty years, if that long, that the artist has attained a position of relative, and too often only dubious, respect in society. Even today, for that matter, most fathers and mothers would tend to discourage their children from becoming writers, painters, or musicians, because the life of the artist in their eyes is still a most precarious and questionable one. Bad as that attitude is, however, the attitude which prevailed in Shakespeare's day was worse. In that day, poets, for instance, were described as "the most unprofitable of His Majesty's servants." Treated as cooks, manufacturers of ephemeral confections to please the palates of their superiors, these men of spirit and song were regarded as "drunken parasites" and "beggarly wretches." "Thou callest me Poet, as a term of shame," exclaimed Ben Jonson. And the actors and dramatists who gave life to a literature whose dithyrambic beauty has never been surpassed were classified as rogues and vagabonds. The literary artist, in fact, scarcely ranked as high as an ordinary wage-earner in financial status, except that he could solicit the favors of the aristocracy and attain a security dependent upon the magnanimity of his patron. He had to pander if not beg to live. His economic status forced him to express the esthetic taste of the aristocracy. The earnings that a writer might derive from his work were comparatively infinitesimal. Without other aid, their

brevity was sufficient to eclipse his inspiration. Jonson, the most famous and successful dramatist of the day, the cynosure of Elizabethan Thespians, earned about £44 (in modern money) a year, and in truth, as he stated to Drummond, he "never gained £200 for all the plays he had ever produced."

The Elizabethan artist, like all the artists of feudalism, found the device of patronage his only escape from starvation. A few writers turned to acting, "the basest trade" as it was proverbially known, but the reward was so discouragingly small that patronage became the next resort. There were few other means left to the author whereby he could earn a living.

This practice of patronage, deeply rooted in the economic basis of feudal society, injured poet and dramatist. The Earl of Southampton, for instance, was Shakespeare's patron; Leicester, not with untainted purity, was Spenser's; Herbert (the possible W. H. of the sonnets) was Daniel's. It was the economic element involved in the relationship of the author to his patron that bred danger. Spontaneity was often transformed into sycophancy, and servility became a literary virtue. The author too often looked to his superiors for favor and commendation. This tendency speedily became a habit. Even so acute a mind as that of Francis Bacon solicited the King for "a theme for treatment" in this fashion: "I should with more alacrity embrace your Majesty's direction than my own choice."

Even Massinger in the Prologue to *A Very Woman* apologized for his subject by claiming that his financial needs kept him from refusing "what by his patron he was called unto."

Bad as this condition was in Elizabethan days, and bad as it continued to be for generations afterward, it was not very much worse than the condition which developed after patronage ceased. During those earlier days, artists found it possible to live only if they could find patrons to support them. Those artists who were not good enough business men to find patrons, and undoubtedly many good artists were not, had little chance of continuing or succeeding in their art. In later days, however, when artists began to work for a public market instead of a private one, which meant that the public instead of an individual became their patron, they found themselves faced with a different but not less grave difficulty. They now had to become business men in a different sense. Instead of pleasing their patron they had to please the public, and very often the taste of the public was much less cultivated and much less inspiring than that of a patron.

The result was, and still is, that those artists succeeded whose works appealed to the public, whereas those failed whose works, however good, did not. Posterity might honor the latter but the present would not. When, as during times of prosperity, the public was affluent and the market was good, their chances of earning a livelihood were more favorable, but it is very doubtful if their chances of winning fame were very much improved. Artistic fame depended largely upon public taste and critical acclaim, and the latter was conditioned in the main by the contradictions and caprices of the former.

This unfortunate status of the artist has been familiar in every society, but no society has ever done anything about it. Many nations have been concerned with the construction of art-works, but none of them, prior to this century, has been interested in the protection of the artist.

U.S.S.R. and U. S. A.

It is to Soviet Russia and the United States that credit is due for being the first countries to reveal a national interest in all the arts. Statesmen in every modern nation have orated long and often upon the fact that their countries exalt art above everything else, but their words have never been anything more than political palaver. What Soviet Russia and the United States have done has been to convert such talk into action. They have not only proved that their interest in the arts is genuine, but, what is even more important, they have given the artist actual status in society. They have not only lauded artists as creators but, and what is much more substantial, have provided them with the economic wherewithal which is necessary for them to do their best work.

What Soviet Russia has done for the artist in every field is well known throughout the world today. The Soviet State considers art—and that includes every art—as important a part of its life as medicine, education, or science. Its writers, musicians, painters, sculptors, actors, are paid sums as substantial as those allotted to the non-artistic professions. It is practically impossible for a Soviet artist to starve, just as it is practically im-

WPA Federal Theatre Photos

NO CENSORSHIP: The WPA Theatre has properly lambasted a number of alien idiosyncrasies. Professor Mamlock, played by Morris Strassberg, rests after a session with some storm-troopers in Friedrich Wolf's play.

possible for him not to be able to find opportunity to publish, produce, or display his work. As all observers, hostile as well as sympathetic, have described, the Russian people, prodded by all the educational agencies of the state, are more vitally interested in art than perhaps any other people in the world at the present time.

In the United States today, under the ægis of the Roosevelt Administration, another development, of a not dissimilar character, has occurred. Realizing that the depression worked havoc with the artists as well as with the proletarians and the farmers, the Works Progress Administration, under the leadership of Harry Hopkins, has undertaken a series of projects in practically every art—drama, music, painting, literature—which has succeeded in giving the American artist a status in the community which he never possessed before. Today any writer, painter, musician, or actor, who finds it impossible to earn a living from his art, can get a job with a WPA project, in which, if he is at all gifted, he should be able to find a friendly medium for expression. Beginning simply as a means of saving artists from starvation, the WPA art-projects—and in this connection Mrs. Franklin D. Roosevelt certainly deserves praise for being one of the first and most enthusiastic sponsors of this aspect of the WPA idea—have developed today into organizations of great potential significance. They have proved to be not only a means of feeding artists but also a means of encouraging and inspiring them with their work. Writing seems to be the only field in which the work assigned, interesting though it is from a historical point of view, is not conducive to the development of the talents of the respective writer. In time. no doubt, that difficulty, too, can be remedied.

In whatever ways the Roosevelt administration has failed to expend its monies wisely, and there are many, the WPA art-projects are a most brilliant and significant exception. They put the United States, along with Soviet Russia, in the forefront of the rest of the world in its concern for art and artists.

Dangers of State Subsidy

There is, of course, the danger, of which everyone is aware, that when a state begins to subsidize artists, it will force the artists to do its will. In that connection the Soviet State should serve as a warning omen, for there, despite the protection and privileges granted the artist, censorship has proved to be a grave impediment.

Ever since Stalin exiled Trotsky, and Trotskyists have been pursued and persecuted throughout the length and breadth of the Soviet State, artists of every variety have been forced to keep their work free from any Trotskyist suggestions or suspicions. Since the Stalin bureaucracy construes as Trotskyist anything and everything critical of itself, the result is that Soviet artists are forced to become spiritual yes-men of the Government. If in their work they violate the desires and dictates of the bureaucracy, the artists soon find that no chance of recognition and appreciation remains. Consequently, few artists in Russia in recent years have hazarded the condemnation of the government in any field whatsoever. This has been most unfortunate.

In the United States, on the other hand, relatively little governmental censorship has been intruded. To date the WPA art projects go about their work comparatively unhampered and unharassed by governmental surveillance, although they have been severely

hampered and harrassed by governmental red tape with all of its infinitudinous regulations and restrictions. In many of the projects, as a matter of fact, works have been produced which have satirized the Government and attacked by implication certain of the central conceptions of American society.

In the WPA Federal Theatre Project, with which the rest of this article will be concerned—next month I shall deal with several of the other Federal art projects—that danger of governmental censorship was "scotched" at the very start by Elmer Rice, the well known playwright, who resigned as New York Regional director when the government threatened to force a change in the character of the first Living Newspaper production, *Ethiopia*. Officialdom in Washington objected to the fact that Mussolini was attacked in the play, and insisted that the Federal theatre could not attack any representatives of foreign powers, and on that basis banned the play, whereupon Mr. Rice resigned. The excitement resulting from Mr. Rice's resignation was so great and the controversy revolving about it so wide-spread and intense that no attempt has been made by any governmental authority since that time to interfere with the work of the Project.

The WPA Theatre Project, which is now nationally organized under the nominal leadership of Harry Hopkins and the active leadership of Mrs. Ellen Woodward and Mrs. Hallie Flanagan, was begun on November 12, 1935. It has already had a two-year appropriation of $13,400,000, which is now exhausted, but it is expecting another appropriation within the very near future. Its projects operate in 35 States, 28 of which have resident acting companies. Seven States—Wyoming, Montana, Nevada, New Mexico, Idaho, Utah, and Arizona—do not have enough unemployed actors to form such resident companies; they, therefore, borrow unemployed actors from the neighboring States for their plays. All told, the Federal Theatre has 150 actual producing companies in the United States, and has produced plays in 110 American cities, which have been attended by approximately 20,000,000 people.

The first play produced by the Project was a Negro drama, Frank Wilson's *Walk Together, Chillun*, which opened in New York City on February 4, 1936. Since the production of that play, it has staged 1400 other plays in various parts of the country, including New York. One hundred of those plays have been written by writers on the Project. The average run of most of the Federal Theatre plays has been one month, although many of them have run for much longer periods. The original plan of the Project was to run plays for only three weeks, but the insistence of the audiences soon made it necessary to run plays for more extended periods. The production of *Macbeth*, for instance, had 144 performances, and was seen by 120,000 people. The first *mass production* staged by the Federal Theatre was *It Can't Happen Here*, a dramatization of Sinclair Lewis' novel by that name. *It Can't Happen Here* opened in nineteen cities on October 27, 1936, and was seen by practically 300,000 people. It played simultaneously in three New York theatres, and is still playing in various places.

Extensions of The Federal Theatre

One of the most amazing and revealing aspects of this whole development is that these plays have had as good runs and have been greeted with as much enthusiasm, in most cases, in the smaller cities, and even in towns and villages, as in the large cities. As a matter of fact, they represent the first attempt to bring the theatre back into its own in the smaller communities, where, prior to the Federal Theatre Project, the cinema had driven out the legitimate stage. In a few cities, to be sure, censorship difficulties were encountered, but in most of them the difficulties were not long-lived. In Plymouth, Massachusetts, for example, the play *Valley Forge* was banned because the Selectmen believed that the language of the drama was too degrading to be heard by a public audience, and in Chicago, Mayor Kelly banned Meyer Levin's play *Forty-Nine Dogs in a Meat House* for reasons which, although never stated, were no doubt similar. But such difficulties have been almost infinitesimal. What at first was a hostile press has today become a most friendly press, and whenever a Federal Theatre production is put on, the leading critics can be seen in the audience.

The best plays which have been staged by the Federal Theatre have been: T. S. Eliot's *Murder in the Cathedral*, Michael Blankfort's and Michael Gold's *Battle Hymn*, the best proletarian historical play of the decade, *Macbeth, Class of '29, Power, Sweetland, Follow the Parade, Triple A Plowed Under,*

The Devil Passes, The Tragic History of Dr. Faustus, Cellini, Oh Say Can You Sing?, Broken Dishes, and, of course, *It Can't Happen Here.*

Besides its regular work in the American-speaking theatre, the Federal Theatre has been active in the organization of non-American-speaking groups, where it has been concerned with winning over these racial minorities into a deeper appreciation of their connection with the American scene. It has three different Yiddish sections: the Anglo-Yiddish, the Intimate Yiddish, which is ably headed by Zvee Scooler, and the Classic Yiddish, directed by Harry Thomashefsky, who recently produced in his section Jacob Gordon's play *King Lear,* which became known as the Jewish *Abie's Irish Rose.* There is a German section, headed by Joseph Bonn, which has produced *The Broken Jug* and *Dr. Wespie;* an Irish section which has staged *Mr. Jiggers of Jiggerstown,* and various Negro and Spanish and Mexican sections. In Los Angeles, for example, the Federal Theatre has both French and Yiddish sections in active operation. In New England, two Italian theatres have been opened. In addition, there are from twelve to fourteen Negro companies located in various parts of the country.

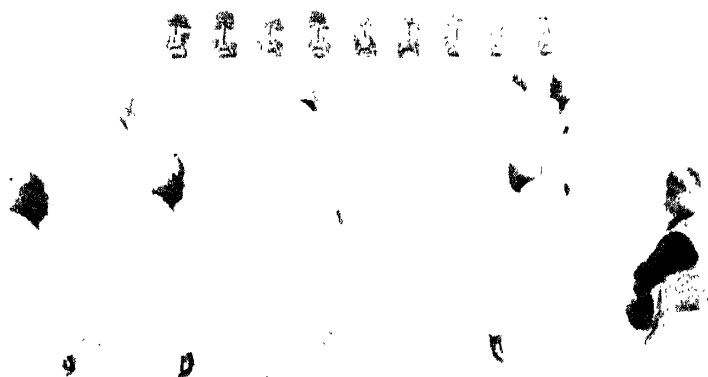
But the work of the Federal Theatre doesn't stop there. It also has children's theatres, portable theatres for the amusement of park audiences, circus sections, marionette sections, and dance groups. More than that, it even cooperates with community centers and nonprofessional groups in a determined attempt to instill in children love for the theatre, and to help them realize their personalities in the plays produced. The Project today is active in 228 of such centers, making a total of 964 groups. Such groups have been active in giving performances, free of charge, in school auditoriums, hospitals, prisons, reformatories, and before welfare organizations. The marionette work in this connection has been most conspicuously successful; over 1.500,000 people have witnessed these performances.

Significance of the Federal Theatre

What is most arresting about all this work is the fact that it has inspired so many people with an interest in the theatre in all its compelling variety of forms. It has taken children and young adults off the streets and taught them how to use their leisure in a profitable sense; it has taught the public how to appreciate vital drama, and made the theatre for it a living reality.

A good illustration of how the Project has managed to stir up interest in its work is to be seen in the experiment in Peoria, Illinois. There the Project began in a big tent, with vaudeville performances as its main medium of expression. The flash and fanfare of brass bands greeted every performance. After a time, however, the Peoria group put on *Uncle Tom's Cabin* and not much later began to stage ultra-modern Broadway plays. According to present plans, their next play will probably be *Johnny Johnson.* In other communities WPA actors can be found rehearsing in barns, in basements, in gilded hotel parlors, in studios—in fact almost anywhere. In Detroit, for example, the theatre company is using the only space available to them in that city—the marble and mahogany Federal Court Room. In Los Angeles, a hard wood mission house, once used by the ancient Spanish padres, is employed for that purpose. In Dallas, Texas, Robert L. Beasly and Bennedetti Collie gave theatre performances in the parks, building their portable stage out of packing cases and carving their puppets with nothing more than a pocket knife, an old saw, and a screw driver.

In a few words, what the Federal Theatre is trying to do is to create the "theatre habit" in a large public, and at the same time to inspire the cooperation of thousands of people, in villages, towns, and cities, in creating a theatre which is truly and genuinely a people's theatre. Thousands of people are being trained daily for that end; 500,000 people, for instance, see Federal Theatre shows nightly of whom approximately 60 per cent had never seen a legitimate production before.

Part of the most interesting work done by the Federal Theatre is of a historical nature. One of the very best plays staged by the Project was *Battle Hymn,* a historical drama, written by Michael Blankfort and Michael Gold, which related in unforgettably vivid form the history of John Brown's crusade against slavery. Other plays of a historical nature, delving deep into the American past, are *This is my Country* and *Davy Crockett,* both of which plays, revolving about the theme of the Alamo, were produced in New York City and in Dallas, Texas. In California the Federal Theatre presents every week a sketch depicting the evolution of that State in hopes of encouraging the concept of historical drama.

WPA Federal Theatre Photos

***WPA THEATRE SCENE:** In many of the projects, works have been produced which have satirized the Government and attacked by implication conceptions of American society.*

In New England the Barbara Fritchie *motif* has been exploited with great success. In Florida, in Louisiana, and in many other States, the Federal Theatre is making a definite attempt to excavate historical remains which can be converted into gripping drama. Few States have been unaffected and uninfluenced by these Federal Theatre experiments.

As Donald Kirkley, the well known dramatic critic of the *Baltimore Sun*, has stated, the "*Federal Theatre* has no counterpart in history." Mr. Kirkley adds that the Federal Theatre "has grown so fast that its far reaching significance as a social force is just beginning to be understood." Mr. Kirkley does not stand alone in his conviction. Many other dramatic critics, in both metropolitan and non-metropolitan areas, have concurred with his judgment.

Of course, there have been critics of the naively and sophomorically iconoclastic stamp, such as George Jean Nathan who described the Federal Theatre actors as "a lot of parasites" who "never acted outside the barn in the backyard or the family parlor." While the WPA organization cannot boast of leading Broadway stars on its roster, it can definitely boast of having put on dozens of plays of which no Broadway producer need ever be ashamed. More than that, it has put on plays which this country desperately needed to see but which no Broadway producer had the "guts" or insight to produce. And as to the actors, to reply to Mr. Nathan's animadversion, there have been a number of most interesting and striking talents whom he should see before he repeats his remark—among which are Alexander Carr, Ian Maclaren, Frankie Bailey, Grover Burgess, and among the younger group, Orson Welles, Joe Cotton, Robert Bruce, and many others.

The one thing which the Federal Theatre lacks—and which all WPA Projects lack—is a sense of security and stability. The writers and actors connected with the Federal Theatre are worried constantly about the insecurity of their jobs. Over their heads hangs the threat of sudden dismissal, or, perhaps, the complete liquidation of the whole Project. So long as those fears remain, the Federal Theatre will never be able to realize its ultimate potentialities, which are so significant. Every one consequently should work to see that the Federal Theatre is put upon a sound and stable basis, secure in terms of the future as well as the present, for without that security the aim of the whole Project, already so richly inspiring, can never be accomplished.

The Realm of Science

BETWEEN five million and ten million cases of goiter exist in the world today. Many eminent medical authorities are convinced that the time has come when this affliction and the train of complicating ills that sometimes follow in its wake could be erased from the face of the earth by the consistent application of an exceedingly simple technique.

New persuasiveness has been given to their contention by the survey recently completed in the state of Michigan by Dr. O. P. Kimball, who with Dr. David Marine first proposed the present method of goiter prevention in 1916.

Goiter is a swelling of the neck due to the enlargement of the thyroid gland. It is a human affliction older than written history. Juvenal, the Latin poet wrote, "Who wonders at goiter in the Alps?" Thus did the ancients recognize that goiter was most frequent in certain regions. Today we call them "goiter belts."

When enlargement of the thyroid gland is the only abnormal condition present, medical men speak of the condition as "simple goiter" or "endemic goiter." But there may be other abnormalities present, with or without the enlargement characteristic of simple goiter. It took the combined efforts of physiologists, physicians, and surgeons, working on both sides of the Atlantic for a century, to put together the complete picture.

It is now known that the thyroid gland is a storehouse of iodine. In the normal thyroid gland is a pinch of iodine, less than a thousandth of an ounce, perhaps enough to cover the point of the blade of a penknife. From this, the gland manufactures a powerful drug, or hormone, thyroxine. This hormone, in some way not known to medical science as yet, controls the rate at which the body uses oxygen and therefore the rate at which metabolism goes on.

The goiter belts of the world include the Alps, parts of the Andes, the Himalayas, and in this country the Great Lakes and St. Lawrence valleys, the region at the head of the Mississippi River, and the Pacific Northwest. It is significant that these are all regions in which the soil and the drinking water, probably as a result of glacial action, are deficient in iodine.

It was first suggested in the nineteenth century that a deficiency of iodine in the diet was responsible for simple goiter, but the theory went unproved until the work of Marine and Kimball two decades ago.

What apparently happens when the amount of iodine in the diet is insufficient, is that the thyroid gland is spurred to compensatory action. The thyroid gland contains little sacs or vesicles filled with a glue-like or colloidal substance which contains the thyroxine. When there is a shortage of iodine, the gland apparently works overtime, attempting to compensate for the grade of its thyroxine by manufacturing more colloid.

As a result, the gland swells up. But if sufficient thyroxine is present to maintain a normal metabolic rate, the result is only simple or endemic goiter.

If, however, the iodine shortage is very severe or perhaps total, then another condition develops. In infants this condition is known as cretinism. If given no attention, the cretin fails to grow physically or mentally, becoming a dwarfed and feeble-minded caricature of a human being. But fortunately, if the case is recognized in time, medical science today can work a veritable miracle, restoring the cretin to normalcy by feeding him thyroid extract. But just as the diabetic patient is always dependent upon insulin, so the cretin is always dependent upon thyroid extract.

When the thyroid gland becomes inactive in adult life, a series of degenerative changes take place known to medicine as Gull's disease. Today this is also treated successfully with thyroid extract.

An opposition condition develops when the thyroid becomes too active, secreting too much thyroxine. This disease, marked by abnormally high metabolism, rapid heart, extreme nervousness, and wild, staring eyes is known as

exophthalmic goiter or Graves' disease. It can be treated successfully only by surgery.

The method of preventing simple goiter suggested by Marine and Kimball was to supply the iodine deficiency. The simplest method is by the use of iodized salt. Their method was first tried in Akron, Ohio, in 1916.

The Michigan State Health Department made a goiter survey in 1923 and in 1924 appointed a commission to introduce the use of iodized salt in the state. A survey of results was made in 1928 and another in 1935.

Dr. Kimball has just summarized the results of these surveys in a report to the American Medical Association. He finds that the incidence of goiter in Michigan dropped from 38.6 per cent of the school population in 1924 to 9.9 per cent in 1928 and that this was further reduced to 8.2 per cent in 1935. He is convinced therefore, as is Dr. Marine, that the incidence of simple goiter could be reduced practically to zero by the use of iodized salt.

They are likewise of the opinion that the incidence of cretinism and Gull's disease would be reduced at the same time.

Opposition to the use of iodized salt has been raised on the ground that where there was a tendency towards an over-active thyroid or Graves' disease, it would be aggravated by the use of iodized salt. But according to Dr. Kimball this is not the case. He reports that more cases of Graves' disease were found in families using ordinary salt in Michigan than in those using the iodized variety.

Graves' disease, or hyperthyroidism as it is often called, appears not to be a primary disease of the thyroid. Over-stimulation of the thyroid gland by the pituitary gland may be the cause. Some authorities, however, think that it is always preceded by the changes of the thyroid gland seen in simple goiter. Dr. Kimball's findings would seem to support this view.

New Atomic Particles

Physicists are awaiting eagerly to see what final interpretation shall be made of the new atomic discoveries of Dr. Carl D. Anderson and his colleague, Dr. Seth H. Neddermeyer, of the California Institute of Technology.

Dr. Anderson, it will be recalled, had already attained world fame by his previous discovery of the positron, for which he was awarded the Nobel prize last year.

Analyzing cosmic ray photographs made on the top of Pike's Peak, the two experimenters found evidence of particles alike in every respect except that one sort was electrically positive and the other negative. What made them notable was the ease with which they penetrated thick layers of lead.

To date, scientists have been aware of five sub-atomic particles, the proton, the neutron, the positron, the electron, and the neutrino. Nuclei of atoms contain protons and neutrons. Electrons form the outer portions of atoms, revolving around the nuclei. Positrons are scarce on earth but abundant in cosmic rays. The neutrino is an elusive particle which seems to make a brief appearance in atomic disintegrations. It may be the product of such a smash-up.

Now if these particles are classified according to weight and electric charge, it is found that there are two positive particles, a heavy one, the proton, and a light one, the positron. There are two neutral ones, a heavy one, the neutron, and a light one, the neutrino. But there is only one negative particle, namely the light one or the electron.

If the positive particles noted by Anderson and Neddermeyer turn out to be the familiar proton, then the negative one must be the missing and long-sought heavy negative particle.

But there is another possibility. The weight of both the positive and negative particles may be midway between the proton and the positron. In that case, physicists must recognize the existence of a new category of sub-atomic particles.

Such a situation has not been anticipated. It would throw existing atomic theories into unbelievable confusion. But physicists may be in for that kind of a headache.

Since Franklin's Day

The American Philosophical Society has been meeting annually in Philadelphia since the time of Benjamin Franklin. Founded by that eminent patriot, statesman, printer, and scientists, it is America's oldest scientific society.

Meetings are held in the society's home at 104 South Fifth Street, Philadelphia. This building stands in the shadow of Independence Hall. Contemporary portraits of Franklin, Washington, and other patriots of Revolutionary days who combined an interest in science with their statesmanship, look down from the walls of the meeting room.

Present members, who include many of

America's most famous scientists, gathered for the annual meeting on April 22, 23 and 24. Much interest attached to the report made by Dr. L. G. Rowntree, director of the Philadelphia Institute of Medical Research, of experiments carried on with extracts of the thymus gland.

The thymus gland, located in the chest, is large in infancy, growing smaller at adolescence. Medical men have long debated whether or not it performed the function of a ductless gland, secreting a useful hormone.

Dr. Rowntree fed thymus gland extract to rats, continuing the treatment with their offspring through 15 generations. He found that the effect was accumulative, the rate of growth and development becoming greater with each generation and reaching its maximum in the seventh to the tenth generation. The young of such thymus-treated strains of rats are double the normal size in the early days of life and mature in from one-half to one-fifth of the time normally required.

He next tried removing the thymus glands from rats and found that their rate of growth was retarded.

Following this, he turned his attention to an attempt to find out what the growth-producing agents were in the thymus extracts. He reported that the studies indicated that they were glutathione, cysteine, and ascorbic acid. Experiments are now under way to see if the results obtained with thymus extract can be duplicated with the aid of these three chemical substances.

Other Spring Meetings

Other important scientific meetings in April included those of the American College of Physicians in St. Louis, the Federation of American Societies for Experimental Biology in Memphis, and the National Academy of Sciences in Washington.

At St. Louis, Dr. Harry Goldblatt, associate director of the Institute of Pathology of Western Reserve University, reported that permanent high blood pressure or hypertension could be caused in animals by clamping the artery to the kidneys. This is the first time in history that high blood pressure has been produced experimentally. The discovery is of significance because hypertension leads to arteriosclerosis, which in its turn leads to heart disease, kidney disease, and apoplexy, three diseases which together cause one third of all the deaths in the United States.

Dr. John W. Williams of Cambridge, Mass., told the physicians assembled in St. Louis that women were ill one and a half-times as often as men but that they tended to live slightly longer than men. This, he said, was because their tissues were more resilient, enabling them to make better recoveries from disease than did men.

Dr. Bernhard Steinberg of the Toledo (Ohio) Hospital, speaking in Memphis, described a preparation named bactrogen which he said was of aid in fighting blood infections. Made from a special strain of bacilli coli, it is said to have the effect of increasing the number of white cells in the blood. These are the cells which fight infections in the blood stream.

The Buhl Planetarium

Pittsburgh is to be the fifth city in the United States to have a planetarium. Funds for it have been made available by the Buhl Foundation which has given $750,000 for this purpose. This brings the philanthropic bequests from the Henry Buhl Jr. estate to nearly $3,000,000 since 1928.

Chicago had the first planetarium, the gift of the philanthropic Max Adler. Countless visitors to the Chicago Century of Progress world fair considered the Adler Planetarium the most exciting part of the fair.

Philadelphia was next with the Fels Planetarium, built as part of the Franklin Institute. Then came Los Angeles with the Griffith Planetarium and New York with the Hayden Planetarium.

Snails Rival Orchids

Two snails with fragile, translucent shells as beautifully and delicately colored as gorgeous orchids have been described for the first time in history by Dr. Paul Bartsch, curator of mollusks of the Smithsonian Institution.

The new snails were discovered in Cuba by Dr. Carlos de la Torre. Cuba has long been famous for the great beauty of its land snails, but in some fashion these two had escaped discovery. One of the new snails has a shell ranging through a series of colors from pale yellow to orange buff, to deeper orange, to flame color. The other is a blending of ivory, olive green, lemon yellow, and orange.

DAVID DIETZ

Highlights of the Law

THIS is the time of the year which by common consent has long been set aside in this country for discussions of international and comparative law. The American Society of International Law, meeting in Washington at this season, finds itself in the midst of a juridical atmosphere generated and souffled by meetings of the American Law Institute, the Committee on International and Comparative Law of the American Bar Association, the Pan American Commission of Jurists for the Codification of International Law, the Friends of the Law Library of Congress, and other venerable guilds of coif-wearers.

It is but natural and most appropriate that the keynote of the 31st annual meeting of the American Society of International Law should be sounded in an address on the late Elihu Root, dean of American international lawyers, delivered by James Brown Scott of the Carnegie Foundation for International Peace, who is, in a sense, the spiritual successor to this side of Elihu Root's many-sided nature. Likewise, in a world torn with apprehension, it is fitting that the meeting should be largely devoted to matters affecting the international law of war and neutrality.

Let Us Have Peace

The most significant developments in the past "fiscal year" of international law in the United States have been stalwart efforts to stem the flow of circumstances threatening the security of our world, foremost among which has been the gathering of the good neighbors at Buenos Aires. Congress has worked hard on the baffling question of a permanent neutrality law and policy. The Supreme Court has strengthened the hand of the President, in the classic Curtiss-Wright case (December 21, 1936), in which it said "The powers to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have vested in the Federal Government as necessary concomitants of nationality." And, furthermore:

> Not only, as we have shown, is the Federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate and manifold problems, the President alone has the power to speak or listen as a representative of the nation. He *makes* treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, "The President is the sole organ of the nation in its external relations, and its sole representative with foreign nations." (The word "makes" was italicized by the Court.)
>
> It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the Federal Government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment — is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially is this true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular and other officials. Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence and documents relating to the negotiation of the

Jay Treaty—a refusal the wisdom of which was recognized by the House itself and has never since been doubted.

Even the purely commercial policies of the day have been designed with a view toward the advancement of world peace. The reciprocal treaty program has a two-fold object, i.e., (1) the reciprocal reduction of trade barriers, and (2) the removal and prevention of discriminations against national commerce, both objectives to be achieved through the method of bilateral agreements based upon the unconditional most-favored-nation principle. The result bound to flow from the success of this policy is true "economic disarmament," and the close connection between it and effective military disarmament is self-evident. During the last twelve months additional reciprocal trade agreements have been put into effect with France, Finland and Nicaragua, and one was signed with Costa Rica. By an exchange of notes with Ecuador a *modus vivendi* has been established providing for most-favored-nation customs treatment. The existing agreement with the Union of Soviet Socialist Republics was extended another year (to July 13, 1937), and that with Estonia was extended to May 22, 1937.

A Whale of a Treaty

Congress passed "The Whaling Treaty Act" (Public No. 535, 74th Congress) to assure our adhesion to the Geneva convention of 1931. Anyone seeking a knowledge of that part of the sciences of biology, natural history, oleaginous chemistry, and industrial economy relating to the giant mammal of the deep, Behemoth, can cast aside encyclopedias and voluminous texts and simply read this Act of an omniscient Congress. From it he will learn that there are many kinds of whales, including porpoises and dolphins, the cavalry of Neptune. There are blues or sulphur-bottoms, finbacks, humpbacks, bowheads, and other "right" whales, and they are sometimes accompanied by broods (perhaps litters) of calves or suckling whales. If you spy a cavorting sulphur-bottom less than 60 feet long it is by this law conclusively deemed to be a calf and a minor protected from the chase. In fact this law declares it unlawful to kill any gray whale for sport alone, and unless the huntsman proceeds at once to turn his bag into oil, meat, bone, meal and fertilizer, leaving only a grease spot, some maritime game warden will be asking embarrassing questions about his license with the proper stamps affixed. Under the title "Illegally captured whales; disposition," the Act wavers a little, providing that forfeited whales shall be "disposed of as directed by the court having jurisdiction", as if the court had not troubles enough already.

A treaty of entry, establishment and residence was entered into with Greece, and an agreement was made with France for cooperation in suppression of customs frauds. Admirers of Leo Carrillo's film *The Gay Desperado* will applaud the agreement with Mexico for the "Recovery of Stolen Motorvehicles, Airplanes, etc." The agreement apparently does not pretend to affect well settled principles of law obtaining along both sides of the border relating to stolen horses.

A statesmanlike gesture was the Hull-Castillo Najera agreement rescinding article VIII of the Gadsden Purchase treaty, by which the United States acquired from Mexico in 1853 a strip of territory along the southwestern border, a pathway for the transcontinental railroad. Article VIII granted to the United States the right to construct "a plank or rail road" across the Isthmus of Tehuantepec in southern Mexico, a project which thereafter died a natural death. Its cancellation removed a thorn from the side of Mexico and a mote from our own eye.

The carriage of goods by sea, notwithstanding the passage of a new and comprehensive Act (Public 521, 74th Congress), is still the subject of consideration, since the Act appears to have some points at variance with the International Convention for the Unification of Bills of Lading which has been ratified by the Senate but not yet proclaimed by the President, so that certain adjustments are indicated.

Industrial and Intellectual Property

"Intellectual property" comprises those rights generally protected by copyright laws. Copyright legislation is fairly uniform in content everywhere, but, as may be seen in a collection of English translations of the laws of all countries recently released by the Department of Commerce (*Copyright Protection Throughout the World*, compiled by Leo J. Koepfle, Division of Commercial Laws), the separate laws differ widely in form and detail, which makes unduly complicated the problems of the American publisher, author, broadcaster, motion picture producer, gramophone record producer, and other creators of artistic,

literary, dramatic, and musical property, who are obliged to seek protection of their interests abroad. There is now pending ratification by the Senate of the International Copyright Union convention, which now binds all the principal nations of the world except the United States. Its main provision is the establishment of copyright without formality, copyright existing by virtue of the creation of the work, without notice and without registration. Each country party to this convention is bound to accord to the authors of the others (and their assignees) this automatic copyright, and that is the chief reason why the convention, to which nearly 50 countries and, separately, many colonies are parties, furnishes the most complete copyright protection now available, or of which there is any prospect.

Heretofore it has been possible for many Americans to secure the benefits of the convention by simultaneous publication in Canada, which is a member of the Union, but recently a Netherlands court, in a case affecting a contributor to *Collier's Weekly*, decided that such "constructive publication" was not sufficient to satisfy the law. If other European courts follow the Netherlands decision, Americans will probably cease to enjoy Union rights until such a time as this country adheres to the convention.

On the face of it there would appear to be no obstacle to prompt ratification of the convention, but hearings before Senate committees during the past few weeks revealed that several affected industries, including broadcasters and motion picture producers, would defer ratification until after the modification of our national copyright laws to conform to the provisions of the convention, now proposed in the Duffy Bill. It is hoped that both questions may be settled at this session of Congress.

Industrial property is frequently mentioned in the same breath with intellectual property, and, indeed, generally speaking, it may be said to include all the rest of the body of intangible, law-created franchises of the business world, especially trademarks, patents, and rights of protection against unfair competition. Although there has been no important event in this field, the whole panorama of this highly developed international subject has been lately summarized in a book (*Industrial Property Protection Throughout the World,* by James L. Brown, Washington, 1936, Government Printing Office, 20 cents) published by the Department of Commerce. For this incredible price, the businessman may have at hand an authoritative guide to the multiple problems he must constantly tackle in protecting his "industrial property" in all countries. Since great industries whose chief stock in trade is the goodwill engendered around the globe by famous brands are common phenomena of business, it is not surprising that successive printings of this study have gone with the wind.

Men, Events, and Books

In Washington Dr. Pedro de Alba, jurist and writer from Mexico, became Assistant Director of the Pan American Union in place of Dr. Esteban Gil Borges, now Minister of Foreign Affairs of Venezuela; Dr. Gil Borges has published during the year three works on implementing the law of peace. At the Carnegie Foundation a translation is being made of the seven volume work on private and public international law by the eminent Bustamente y Sirven of Cuba, the last volume of which, dealing with International Penal Law, has just been received. A section on coercion by "el boicot" is an innovation in treatises on this subject. The election of Professor Manley O. Hudson as a Judge of the Permanent Court of International Justice assured the continuance of a tradition started by John Bassett Moore, Charles H. Hughes, and Frank B. Kellogg.

In the *Comparative Law Series, A World Review of Laws Affecting American Foreign Commerce,* which the Department of Commerce began to publish monthly last August, several topics of interest have been discussed factually, including the withdrawal of the United States and other powers from the Egyptian extraterritoriality capitulation, the Pan-American Declaration of Juridical Personality, the unification of documentary credit practice, and the definition of common trade terms. Of special interest was an article in the February number on "The Object, Nature and End of Comparative Law in the United States of America" by the Committee on Foreign Law of the Association of the Bar of the City of New York.

GUERRA EVERETT

On the Religious Horizon

AMONG the most interesting items of religious news during the past month were several dealing with new modes of travel for missionaries. Bishop Pierre Fallaize, Catholic prelate of the Arctic, came to New York to buy a new plane to facilitate coverage of his "parish," a diocese consisting of some 600,000 square miles. The new airplane will carry five passengers and hold 1,300 pounds of freight. "The flying Bishop," as he is called by many, explained that the airplane is invaluable in carrying the sick to widely separated hospitals and is the only practicable method of reaching his parishioners.

The Rev. Christopher Sullivan, a Yonkers priest, has outfitted a $1,025 trailer which he had named "The Mission of the Divine Child." He plans to take it to China in June, where he will use it to make a 20,000-mile tour of Shensi Province. His trailer, containing an altar, a dispensary, and living quarters, is equipped with a loudspeaker, through which music and addresses may be heard by a larger audience than would be possible otherwise.

David Griffin, son-in-law of the Rev. Paul Raider, Chicago evangelist, and Hubert Mitchell of Los Angeles are preparing for a 20,000-mile tour of Asiatic and African frontiers in a three-wheeled motorcycle truck. They have been assigned by an interdenominational missionary society to chart the extent of Christianity in portions of Asia and Africa never visited by missionaries. From Singapore their route will take them through the Malay States, Burma, Tibet, across the Khyber Pass and through Persia, and finally across the mid-section of Africa.

The Rev. Dudley S. McNeill, young Elgin, Illinois, Episcopal priest, has resigned his parish in Libertyville to go as a missionary to the sparsely settled southwestern section of Wyoming, where there are only three Episcopal Churches in an area of 40,000 square miles. His problem will not be how to get the people to church, but how to get the church to the oil-diggers, ranchers, and miners scattered over the countryside. Making his headquarters at Evanston, Wyoming, and accompanied by his wife and their two-months-old baby, the Rev. Mr. McNeill plans to cover his territory by automobile. Assisted by a Libertyville cabinetmaker, a harnessmaker, and a dentist, he has made what he describes as a "complete church in collapsible form." Packed for travelling in a suitcase, the altar measures three by two feet and is carried in one hand, while in the other the minister carries collapsible legs on which the case is set. (The dentist and his drills were enlisted to execute the fine carving of the elaborately carved altar of walnut.)

In somewhat similar manner the Rt. Rev. Henry W. Hobson, Episcopal Bishop of Southern Ohio, plans to make an automobile trailer the official seat of his diocese. As *The New York Times* remarks, "Any Church containing a Bishop's chair is a cathedral." The Bishop said that if he were to start building a new cathedral he would not know where to put it. "It might be in entirely the wrong location fifty years hence." He made his plea for "an automobile cathedral," not only on the grounds of prudence, but even more because of the desirability of making it possible for all his "diocesan parishioners" to attend the cathedral.

While appearing on the surface to be very modern, Bishop Hobson's proposal is in reality only a plan to bring up to date the missionary methods of the past. The Jesuit missionaries first covered the territory of Southern Ohio in canoes. They in turn were followed by the itinerant preacher, or "circuit rider." And one thinks back instinctively to the missionary travels of St. Paul, on foot, by caravan, and by boat. All these apparently novel "missionary methods" are merely the attempts of modern men to avail themselves of the advantages of present-day fast transportation.

Even (or perhaps we should say especially) the Godless League of Russia is using all methods at its disposal to aid its "missionaries" to spread atheism. The radio, the movies, the

press—all are being used to combat religion and to spread the doctrine of atheism throughout the land. One must be careful in evaluating any news items emanating from the land of the Soviets. It is hardly possible, for example, that religion could be so nearly "dead" last September, and now be revived to such a point that a new war on religion must be waged. Latest reports are to the effect that 30,000 churches will be open on May 2, for the celebration of the Russian Easter, and that one half of the people are still believers. Last fall, according to Soviet sources, religion was dead; today it is very much alive. Perhaps the truth lies somewhere between the two extremes. Religion has a reputation for a slow and lingering demise, if indeed it ever does die completely. This writer does not recall any period in the history of any nation when there was no religion to be found, when no one believed in any kind of deity. And, to quote Patrick Henry, "I know of no way of judging the future save by the past."

Protestant Unity

A "Commission for the Study of Christian Unity" was created by the Federal Council of Churches of Christ in America at its April meeting. Dr. Samuel McCrea Cavert, general secretary of the Council, in announcing the creation of this Commission, said:

"The appointment of the Commission would emphasize the fact that there is a real desire to move in the direction of some larger integration of our Protestant forces than now exists. Since it is obvious that there is as yet no general agreement as to the solution of the problem, the Commission's primary method should be that of objective study and research. Any final decision would, of course, rest with the churches themselves, the Council's function being strictly exploratory and advisory." (The farewell sermons of Dr. Stanley Jones, and the appeals of Mr. John D. Rockefeller seem to give promise of bearing fruit.)

Canada is looking forward to a Federation of Canadian Churches similar to the Federal Council. Plans for such an organization have been sent to the heads of the Anglican, Baptist, Presbyterian, and United Churches, the Church of Christ (Disciples), and the Salvation Army. Among other aims, it is hoped that this will be a means of formulating a united front on questions like war and temperance and for national preaching missions, similar to the one conducted last fall in the U.S.

The Commonweal, April, page 724, has the following item of especial interest (under "Non-Catholic Religious Activities"):

"Educators in Birmingham, Alabama, are much pleased with the working of the Chattanooga plan of religious instruction now in operation in their public schools. The various churches pay the teachers who are appointed by the Board of Education on the basis of general educational qualifications as well as their ability to instruct in religious matters. Classes are held in the city's public schools, but they are elective, and students not interested in this instruction may devote the time to other subjects. Parents have the deciding voice as to their children's religious instruction."

Church Help for van Zeeland

Religion, in the person of the Cardinal Archbishop of Malines, played an important part in the recent elections in Belgium. Léon Degrelle, pamphleteering young leader of the Rexist Party, ordered one of his men to resign from parliament and announced his own candidacy for the post, thus challenging the government of Premier Paul van Zeeland, who thereupon elected to stand for the same office. The deciding factor in this hard-fought election was the pastoral letter of Cardinal Monseigneur van Roey. Many Belgian Catholics had planned to cast blank ballots because Socialists and Communists were voting for van Zeeland. They were told that such ballots were undesirable. "We are convinced that the Rex party constitutes a menace for the country and the Church." The results of the election were: van Zeeland polled 76 per cent of the votes; Degrelle 19 per cent; and 5 per cent bore no name at all.

Jewish Fears in Italy

Jewish communities in Italy are beginning to be really worried as to what the future may hold for them. In the past they have enjoyed a degree of freedom from social, racial, and religious prejudice that has been equalled in few other countries. Never the object of the cruel repression or oppression that has been their lot in other countries, they are beginning to fear that the example of Nazi Germany may ultimately influence Fascist Italy. Only a few newspapers have taken an active part in anti-Semitic campaigns. The Government has never given any indication that it shares the views such newspapers express. On the whole the Italian people have no particular feeling

against Jews. And yet the Jews of Italy are beginning to have serious fears about the future. Why?

On April 9, the newspaper *Tevere*, always prominent in the sporadic anti-Semitic campaigns of some Italian newspapers, gave a whole page to the publishing of what purports to be the most complete existing list of Italian-Jewish surnames. The object of this "full page ad" is somewhat of a mystery. Viewed in its relation to other instances of animosity against Jews in the Italian press, it would seem probable that *Tevere* intends to suggest that persons whose names appear on the list are doubtful (or even bad) Italians, to be regarded askance by the mass of the population.

Church Troubles in Germany

German religious news has been "in the paper" almost every day during the month. Among what seem to be the most significant incidents reported are:

The Protestant elections have been postponed, at least until the fall. German Protestantism protested so vehemently and so effectively against almost everything connected with the proposed election that Der Fuehrer decided that the wiser course would be to postpone the critical moment until other things had been arranged. The "protesting" reached a climax on April 24, when, in Darmstadt, more than 1,000 Protestants demonstrated for four hours against police efforts to suppress a Confessional Synod meeting which had been forbidden. The overflowing churchful of Protestants, augmented by additional thousands in the streets, created so serious a situation that the police withdrew, leaving the field to their more numerous and more vociferous erstwhile "enemies." But the end is not yet.

Turning its attention to the Catholic Church, the German Government on April 13 delivered a note of protest to the Vatican in reply to Pope Pius's Palm Sunday Encyclical, which accused Germany of having violated the 1933 Concordat. The high points in the synopsis of the note to the Vatican are:

The community is protected by German laws that allow no room for particularist movements; the Reich will not tolerate any interference with its internal life; and, peaceful development, which as ever is desired by the Reich, will depend on the future attitude of the Vatican and on the capacity of the Church to adjust itself to present conditions.

Catholic attorneys, meanwhile, were informed that the Chancellor had ordered the resumption of trials of priests, monks, and nuns on charges of having violated the foreign exchange laws.

Having convicted the Rev. Joseph Rossaint on a charge of "preparation for high treason" (along with two other priests and four laymen), Nazi officials, through their party organ, *Der Angriff*, demanded that the Catholic Church unfrock the chief defendant, Fr. Rossaint. Referring to him as a "proved enemy of the state," the paper said that it was waiting with great interest to see what the Church will do. Fr. Rossaint was sentenced to eleven years in the penitentiary.

Celibacy, one of the prime requisites, not only of the Roman clergy, but also of its nuns and monks, was assailed by Dr. Wilhelm Hartnacke as "depriving 32,000 German men of the right, as fathers of families, to present children to the German nation" and also as affecting more than double that number of German women, who, as nuns, do not marry.

The Germans, with their characteristic thoroughness, did not neglect the Jews. An unexplained police order banned all Jewish meetings, except the gatherings of worshippers in synagogues, for 60 days. Even if only four Jews gather, police may disperse them. All inmates of B'nai B'rith lodges (old age homes, hospitals, and orphanages) were evicted on April 23. It is claimed by Alfred M. Cohen, of Cincinnati, Ohio, that the action of the German Government included not only the dissolution of B'nai B'rith but "the confiscation of its property and expulsion from its orphanages, hospitals, and old people's homes of their sick, infirm, and helpless patients."

Official Nazidom is not content with merely tearing down the existing religious forces and organizations, Catholic, Jewish, and Protestant. A new wave of neo-paganism is spreading throughout the Reich. Turning for inspiration to the old Teutonic deities, they envision a future national church, apart from "negative, Judaized" Christianity and based on the worship of race and Nazi leadership. The Department for the Ideological Training of the Future German Nation is now headed by Dr. Alfred Rosenberg and supplies advice to such neo-pagan groups as the German Faith Movement and the more militant Tannenberg League of General Ludendorf.

REV. WILLIAM B. SHARP

A DIGEST OF COMMENT QUOTED OR TRANSLATED FROM THE ORIGINAL

THEY SAY

SOMETIMES IMPORTANT ★ OFTEN AMUSING ★ ALWAYS AUTHENTIC

Holland's Own Canoe

HOLLAND, should she be invited to do so, will not adhere to the German-Japanese treaty for combating Communism. Political treaties are no concern of the Netherlands, and they have never joined in any.

Thus spoke the Minister De Graeff in the Lower House of the States General, when defending his foreign policy. In other words, Holland can paddle her own canoe and feels quite capable of waging war on Communism alone, wherever necessary, both at home and overseas. * * *

It should be remembered that it is during the last four years that reports have been reaching us about the seizure of Communist propaganda in the Malay tongue, brought by Dutch ships in misleading wrappers. Pamphlets, sent to a number of addresses in the Dutch Indies sometimes as advertisements, sometimes as an innocent-looking packet, announcing to all appearances the merits of "Sloan's Liniment," are occasionally posted in Amsterdam, but chiefly in Belgium.

In Dutch East India the so-called Pari (Indonesian Republican Party) has given evidence of increased activity. After the suppression of the P.K.I. it was established during 1927 by prominent Communists in unknown places in one of the neighbouring Pacific countries, the Straits, Siam or Indo-China. Following Soviet precept, they have started the formation of cells in the important branches of the service. Similar Communist cells are to be found in every international society, also in the four or five small Dutch East Indian nationalist associations here in Holland.

But note: Moscow's attention is concentrated on Holland and on the so desirable Dutch East Indian archipelago with its suggestible, defenseless population of many millions. The Communist International, the crypto-organism of the Soviet system of government, still continues to undermine the foundations of public order and quiet in the colonial and semi-colonial countries.

Dutch East India is on the *qui vive.* Many measures have been taken and in the course of the years a large number have been added. Nevertheless they appear to be insufficient to prevent the recent huge influx of international provocative propaganda of Soviet principles into the Indian archipelago.

No legal means must be neglected to prevent Communist propaganda from becoming a chronic danger to Dutch and Dutch East Indian society.

—*De Telegraaf,* Amsterdam.

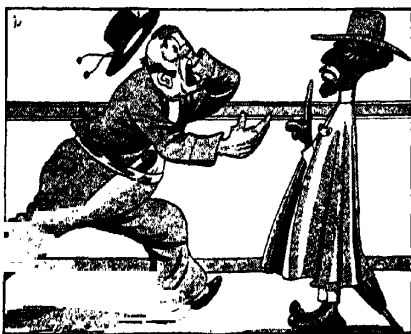
BOMBERS IN BATAVIA

Probably Mr. Ito will be deeply distressed to learn that, in spite of Japan's aspirations in the South being "truly pacific," the defense forces of the Netherlands Indies will be increased within the next three years to 12 destroyers, 18 submarines, and at least 200 bombers and reconnaissance planes. This program has been submitted to the People's Council, "in view of the international situation." Dornier flying-boats now under construction for the Netherlands Indies will be able to carry 3,500 lb. of bombs. The first of 60 new T4 Fokker torpedo bombers have arrived in Batavia, and have a speed of 160 m.p.h.

Coinciding with the announcement that the Netherlands Indies defense budget is to be increased from £147,000 to £1,860,000, the delegate for the War Department, Lieut.-General Boerstra, made the following statement to the People's Council:—"In the event of attack the Netherlands Indies will be defended by force of arms, without expecting any support from the League of Nations." The new defense program will give the Netherlands Indies the most formidable air force of any European Power in the Far East.

—*The Peoples Tribune,* Shanghai.

HITLER OR HABSBURG

There is the Vatican, which was once definitely in favor of a Habsburg restoration. We do not believe that the Papacy has changed its mind, but new factors have caused a modification of the

Il 420, Florence

Spanish Grandee: "The situation is desperate! You have had experience—advise me." Haile Selassie: "What can I do? Do what I did! Resist until it is time to take flight."

problem. The Vatican is concerned with the position of catholics in Germany, and in certain circles it is considered likely that the cause of the legitimists in Austria will be abandoned in return for a favourable compromise with Hitler.

It is no mere chance that many elements of the former Christian-Socialist Party have recently approached the Nazis and that their paper, the *Reichspost*, has taken up the cause of pan-Germanism.

It only remains to examine the attitude of the Little Entente. Czechoslovakia, Jugoslavia and Rumania are not all equally hostile to the *Anschluss* of Austria with Germany, but all three are strongly opposed to a Habsburg restoration. The reasons are obvious and known to all: the restoration of the former monarchy in Vienna might endanger the very existence of the States which arose out of the ruins of the Austro-Hungarian empire. An Austrian monarchy would be the rallying-point for centrifugal forces which still exist in the new States.

Another reason justifies the opposition of the Little Entente. The alternative: "*Anschluss* or a restoration" is not a genuine one. A restoration would not exclude the *Anschluss*, since it would not alter the relationship of the forces inside Austria.

This relationship could only change if the working class resumed its political rôle and were once more able to exert its influence on the destiny of Austria. Apart from a return to democracy, all roads from Austria lead to Berlin.

—*Le Populaire*, Paris.

AUSTRIAN GHOSTS

What is the present regime in Austria? There are no elections, no Parliament, no freedom. Dictatorship, pure and simple. All power, according to the Constitution, is in the hands of the President. He nominates the members of "Parliament," the judges and the officials; he has the right to replace *ordinary legislative procedure* by decree; he has the same right, by decree, to reform the Constitution.

In Italy or Germany the electors have no political reality; but the dictators *do* ask their peoples to make a symbolic gesture. Not so in Austria. Not even a plebiscite. It is a political régime divorced from the people. And the President, all powerful, is not even elected by the people. This Constitution is the strangest doctrine of twentieth-century political reaction. It is the only dictatorial Constitution in which the people are not called upon, even for a short time, to go through an electoral formality. The best comment on this Constitution came from a Viennese wit who suggested the addition of a new article to the Constitution: "The President nominates the people."

Austrian Fascists will tell you that it is the only way, that the majority of the people want the *Anschluss*. To give the people for twenty-four hours the right to vote would, they say, mean the overthrow of the regime; the only way to stave off this disaster is to deprive the people of their vote so that they cannot freely express their will.

The pro-Hitler movement is, of course, strong in Austria. But we refuse to believe that all the Socialist workers, all the Jewish traders, all the Catholics, and all the suppressed intellectuals want to become slaves of Hitler. The supporters of Hitler are a minority. So are the supporters of a restoration. And the majority? The people, weary of long years of crisis, want neither a Hitler Terror nor a restoration. The view that there are only two solutions is false. There is a third— a return to normal political life, to honesty and democratic institutions. This solution is the only one compatible with reason and right and with the security of neighbouring peoples.

We want no ghosts. Habsburgs in twentieth-century Europe are more than an anachronism— they are a violation of common sense.

L'Ere Nouvelle, Paris

Erratum: *Soviet Arctic Adventure*, on page 111 of the May issue of *Current History*, should have been credited to the Research Bulletin on the Soviet Union, published by the American Russian Institute.

Birth Control Trial

ON SEPTEMBER 15 last year, plumpish 29-year-old Dorothea Palmer, Ottawa, Can., bookseller and social worker, knocked at the door of a tiny home in Eastview, Ont. To the woman who came to the door she explained that she was interviewing women with a view to spacing of children. The woman was interested and brought her into the house. Miss Palmer showed her a sample box of contraceptives, demonstrated how they were used and told her how to get samples and more information. All the lady of the house had to do was sign an application card which Miss Palmer produced and which would be forwarded to the Parents' Information Bureau of Kitchener.

If the application were "approved," the bureau would mail to the applicant a box containing contraceptives, a price list and a pamphlet containing information, instructions for use, and comment upon various home-made methods of contraception. This first box would be sent free to each individual applicant, but a donation up to $2.00 would be appreciated if the applicant could afford it.

Miss Palmer was just on the point of securing the woman's signature and another dollar commission for herself when in walked Constable Emile Martel with a warrant for her arrest on the charge of "advertising" birth control information.

The trial started Oct. 21. Forty witnesses were examined and 750,000 words poured into the record by witnesses. Counsel added 500,000 more in four days of argument. In addition 87 books and documents were filed as exhibits with 23 boxes of contraceptives, which Eastview women were alleged to have received after signing application cards presented by Miss Palmer.

Almost six months after the beginning of the trial, magistrate Lester Clayton on March 17 dismissed the charge because "the public good was served by the acts she is alleged to have done."

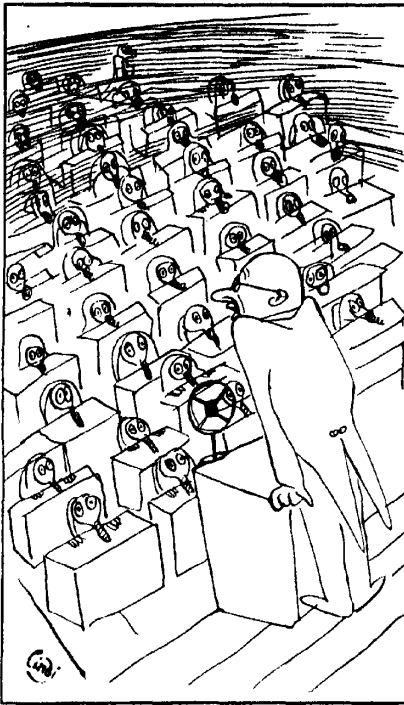
He drew attention to the fact there was no birth control clinic in Eastview or Ottawa and that both Eastview's physicians were Roman Catholics and that "the evidence appears to be that the only method of contraception that Roman Catholic doctors are permitted to advise is partial continence or the abstention from intercourse during certain periods." He added that the method "is open to the charge of unreliability."

The magistrate said he found no force in the argument advanced by the crown that it was reprehensible to give such knowledge to Roman Catholic women on the ground that it was contrary to their religious teachings. What they did with the knowledge, he said, was their own business. He drew attention to the fact that 50 years ago a similar judgment to his was given in an Australian case, and asked: "Is Canada, 50 years later, to be wandering in the intellectual and social wilderness on this vital subject?"

—*Canadian Comment*

KILLING FOR FAITH

Sad was the day when the Rights of Man were declared from the tops of garrets and other dubious places. For, more blood has been spilt over these supposed rights than in the name of religion. And still the rights remain as vague and elusive as ever. Every man may have the right to live (though even this may be disputed by biologists), but to think that every man has the right to rule! Human nature being what it is, there must be some people born to rule, and some others born to obey. The days of chivalry are not really gone, nor are the days of loyalty and hero-worship. And yet they will have *all* men as equals! Physically, we perceive, no two men are equal, but we are made to believe that all men are equal mentally and morally. This eglatarian theory has been the bane of modern society. Naturally, it has engendered false hopes, sad disappointments and endless strife between class and class.

"If the National Government in Spain," writes an English journal, "be defeated in the present civil war, England alone will remain the last stronghold of democracy." This is a sad confession of the failure of democracy. Of course, it does not imply that democracy would fail in every in-

Nebelspalter, Zurich

SCHOOL OF THE FUTURE
'Smith Minor, I have cause for suspecting that you are making faces.'

stance. Democracy is a native of the soil of England, and may very well thrive there, but that is no reason why it should be transplanted everywhere by force. Indeed, in some countries and in certain times, democracy has been fraught with so many evils, that like Wordsworth, yearning to be "a Pagan suckled in a creed outworn" (in the matter of religion), we would fain long for a return of the good old days of Haroun-al-Raschid and other benevolent despots. But despotism is not, after all, "a creed outworn." Some of the finest races of the earth are now being willingly (and prosperously) ruled by a Dictator, and your Dictator is but the old despot "writ large." Such failure is bound to overtake a system of government, which is based on the counting of heads, without taking account of the brains, which, alas, are not in the gift of man, but of Nature, who delights in freaks and variations!

—*The Calcutta Review.*

GERMAN COLONIES

Attention should be directed to the fact that there was not a single obstacle in the way when the German colonies were parceled out among the allies under the guise of mandates. The native inhabitants of those colonies were not consulted who were to be their new masters and no question was raised as to their ability and fitness to govern them. The allies decided all questions of law and fact when Germany was deprived of all her colonies.

Today when confronted with the question of the restoration to Germany of her former African colonies, a gigantic list of negative replies has been submitted why the colonies could not be restored to Germany. One of the reasons advanced by a London daily paper pointed out that some of Germany's colonies were allotted after the war to the British dominions, and are outside the control of the British Government. But what about those former German territories now under British mandate? There is no need for Britain to consult an outsider to formulate a plan for her for the restoration of the former German colonies to their pre-war owner. Britain is quite competent to do that herself. As to the British dominions which are now administering some of the former German colonies, Britain need not worry herself about them. They will be restored to Germany in due time, especially those African colonies mandated to the Union of South Africa.

Those who think that Germany can be forever deprived of her former African colonies, are living in a fool's paradise. It must be emphasized that God did not create the Englishman and endow him with the sacred mission to be the master of the non-white races of the world. Britain today is confronting a very serious problem. The proud boast that the sun never sets on the British Empire and that Britannia rules the waves has been rudely shocked and successfully challenged by Rome during the Italian-Ethiopian conflict. As Britain played the leading role in her attempt to enforce sanctions against Italy during the Abyssinian campaign, she should now take the lead for the restoration of the former German African colonies to Germany. Britain is not asked to give away her own colonies, but only those which she took under mandates from the League of Nations.

—*The China Outlook.*

ITALY'S CHANGED POLICY

Dominating the [Venice] talks was Italy's change of direction from a *continental* to a *maritime* policy. . . . Italy, with her hands full in Spain and her new Empire in Abyssinia . . . is more interested in gaining the support of countries with a seaboard such as Yugoslavia than of such countries as Austria and Hungary. . . . By such a policy she is also preventing Germany from becoming too powerful in the Adriatic and Eastern Mediterranean.

The Week, London.

Anti-British Propaganda

BRITAIN is on pins and needles and is getting over-nervous. It is alleged that anti-British propaganda is spreading rapidly in the Far East ruining her prestige and commercial interests. Britain seems to be losing ground everywhere. The attention of the British Government was recently drawn to this matter. The Foreign Affairs Committee of the three British parties in the National Government which met at the House of Commons were shocked to find that there was invidious propaganda against British domination in Asiatic affairs. It is stated by the Committee that thousands of anti-British pamphlets were distributed in Peiping, Hankow, Tientsin, Shanghai, Canton and other Chinese towns and cities. The House of Commons was also informed that numerous articles had appeared in certain Shanghai-Tokyo publications which specialize in anti-British propaganda. These articles are said to contain interesting topics which deal with a variety of subjects such as: Breaking Up of the British Empire; Anglo-Japanese Friction; Retrocession of Hongkong; Independence of India; Miscarriage of Justice in the British Supreme Court; Retrocession of Gibraltar; Inevitable Disaster to the British Empire; British Threat at Hongkong; Suppression in India; Indian Revolt; British race pride; Civil liberties in the colonies; Arming for peace and many others. If anti-British articles have appeared in the newspapers in the Far East as alleged by the Foreign Affairs Committee, it is due to British arrogance, short-sightedness and hypocrisy. And if these articles are telling the truth about the miscarriage of justice in the local British Supreme Court in the case of Chinese litigants and the doings of certain British diehards out here, it is not propaganda, but hard facts. It is an undoubted fact that British friendship for the Chinese people is only superficial and not genuine. If Britain is a good friend of the Chinese, why not take the lead to assist China to abolish extraterritoriality and return to China her Tientsin Concession? China would much prefer to see the early abolition of the unequal treaties than to receive a loan of £20,000,000 from the British Government through Mr. W. M. Kirkpatrick, special representative in China of the British Export Credit Department. After all, the money has to be returned some day. It is learned, however, that the Foreign Affairs Committee have decided to ask that adequate measures be taken for checking such propaganda either by means of broadcasts or through diplomatic channels. The Committee includes members of the Conservative, National Liberal and National Labour parties. At any rate, as long as propaganda is confined to legitimate subjects of general public interest and not mere fiction, Britain can have no complaint to make.

—*The China Outlook.*

CHURCH FOLK

One set of citizens that must not be neglected by those seeking a united front against war and reaction, against all suppression of liberties and all exploitation, for democracy and for the good of society, is the church group. It's too easy to say that the church has always been on the backs of the people, that it feeds them opium and to let it go at that. A case can be made for the condemnation, heaven knows. But it's not quite the whole story.

The church represents a cross section of our society. All the winds that blow, blow also on church folk. Most of these have not taken so seriously the words of their ministers that they can't listen to other voices. Politicians and propagandists of various sorts know this and act accordingly. Moreover, sitters in church pews have been exposed to something besides "opium." Sentiments like these are scattered through their scriptures and sometimes get read from pulpits:

"I hate, I despise your feast days . . . though you offer me burnt offerings . . . I will not accept them . . . but let justice run down as waters. . . ." (Amos 5:21.22.24) Come now ye rich, weep and howl . . . Behold the hire of the laborers who mowed your fields which is of you kept back by fraud crieth out . . . (Jas. 5:1,4) "He hath put down princes from their thrones and exalted them of low degree . . . the hungry he hath filled with

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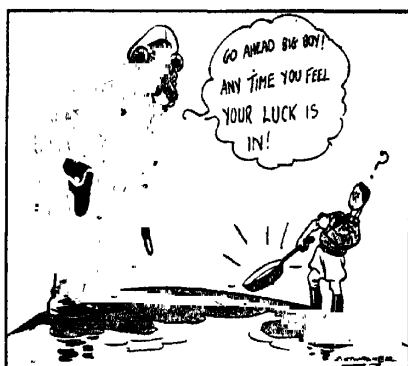
SALUTE

South Wales Echo, Cardiff

good things and the rich he hath sent empty away" (Luke 1:52,3).

For a generation and more there has been a left-wing group in most of the larger Protestant denominations and among Catholics and Jewish religionists, that has taken pains to make known the social strain in their religion and to apply it to current wrongs. When the Federal Council of Churches a few years ago collected the scattered social demands of the churches it took a score of pages just to summarize them. Here they stand—demands for adequate pay and fair work hours for workers; for the abolition of all child labor; for protection of workers against the exigencies of their life and work; for the right of the workers to unionize and bargain as a group; sometimes for social ownership of special utilities; occasionally one for the complete transformation of society.

Several Detroit and Flint preachers took a hand in the General Motors strike. Together with some local professors they assigned themselves to the job of running down rumors and publicizing the facts. Hearing that a Flint hospital had been warned to prepare for an emergency, they straightway made contact with Flint officials and warned them that they would be held responsible for violence. When the situation reached a point of intensity, they sent out a call to preachers, arranged a meeting, besought Governor Murphy to prevent the threatened violence by vigilantes (many of whom were church folk) letting him know that they as clergymen would support him wholeheartedly in such effort. To Police Commissioner Wills they wired, "We learn you intend to draft citizens in a vigilante attempt to oust sit-down strikers without court order. We beseech you to refrain from use of this kind of force at this time. We shall hold you strictly responsible for any loss of life."

Just because preachers are "respectable" such protests count.

Of course such preachers stand to lose their jobs if big business parishioners or reactionary higher-up church officials take a notion to penalize them. Some are willing to pay the price. A goodly fraction of them have done so, supported by brave wives. That is up to them. What is up to those organizing united fronts, is to find and use such preachers and other willing church folk, especially church youth.

—*Commonwealth College Fortnightly*, Mena, Arkansas.

FISHING DISPUTE

Ignoring American Congressional warnings, the Japanese Government Mar. 16 gave notice of its intention to encourage Japanese fishermen to fish for salmon off Alaska. The declaration was made in the face of a direct warning by Lewis B. Schwellenbach, Democratic Senator from Washington, that "serious" international difficulties may arise out of the "threatened invasion" of the Northern Pacific areas by Japanese and European fishing interests. Speaking before the Senate on Mar. 8, the Senator declared that "this problem contains potentialities which may more seriously threaten the peace of the United States than any other on the immediate horizon."

Recalling that foreign vessels frequently engaged in whaling and seal-hunting off the coasts of Japan in the early days of the Meiji Era, the Association for the Promotion of High Seas Fishing Mar. 20 issued a pamphlet upholding the Japanese right to fish salmon off Alaska. The pamphlet was mailed to members of the Diet, Government officials and interested quarters both in Canada and in the United States. The Association contends that fishing on the high seas is upheld by international law regardless of the location of the fishing grounds.

—*China Weekly Review.*

MR. SATO'S POSITION

That Japan's foreign policy so far has had many defects and failures cannot be denied. The present awkward situation is due to this. Japan's foreign policy, therefore, leaves much to be desired. A turn for the better is needed. This is felt by the public at large. Even the military, which poses as the propelling force of Japan's politics, recognizes it. Even without its being pointed out by the Foreign Minister Japan feels it necessary to improve the foreign policy sooner or later.

The task of the Foreign Minister now seems easier than ever before. With Mr. Sato appointed under these favorable circumstances, he ought to study closely Japan's domestic and international relations and then establish his policy. There was no need to formulate his policy quickly. In spite of this, Mr. Sato has surprised the nation by urging it to reconsider its point of view. His attitude is that of a critic of international affairs, but is not suited to a man responsible for the country's diplomacy.

However, we do respect him for the courage and enthusiasm with which he has expressed many truths avoided by his predecessors. However, judging from what he has expressed so far, Mr. Sato's diplomatic policy does not fit the prevailing international situation. The effect of his speeches on foreign nations is not necessarily favorable. It is especially feared that they will be utilized by China and the Soviet Union.

—*Chuqai*, Tokyo.

DEFINITELY CONTEMPTUOUS

Unless the filming of Yoshiwara, a story of Japan written by Mr. Maurice Dekobra, popular French author who visited this country two years ago, is dropped, all future productions by the Lux Film Company will be banned here, Home Ministry censors have decided after conferring with the Foreign Office. Mr. Sessue Hayakawa and Miss Michiko Tanaka have parts in the production, now being filmed in France, *Domei* says.

The story of Yoshiwara is termed "definitely contemptuous" of Japan. It relates how a Captain Dan of the Japanese General Staff loses part of a secret document. Neglecting his only daughter, he begins to spend his days in the Yoshiwara, "absorbed in drinking and gambling," and is finally discharged from the service.

Michiko, a geisha, is in love with a foreigner named Maurice, who is soon to return home with a secret document. At her own request, Maurice takes Michiko to his Tokyo residence shortly before he leaves. Dan, who has been asked by the gendarmes to recover the lost paper, goes to Michiko's room during her absence and finds it, being readmitted to his former post as a reward.

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THE SHELL GAME

Michiko is convicted of having stolen the paper and is sentenced to be shot, whereupon it becomes known that she is the deserted daughter of Captain Dan. But she pays the penalty, just the same.

Mr. Hayakawa plays the part of a rikisha man and Miss Tanaka is Michiko.

—*Trans-Pacific*, Tokyo.

Passive Resistance

THE five points formulated by the *International Assembly Against War and Militarism* may be taken as a scale. It begins right at the top with the infinitely distant aim: The abolition of war and all appertaining to war in laws and constitutions. A little lower down comes: Total and immediate disarmaments. That too seems to be extraordinarily remote. The abolition of conscription brings us at once nearer to earth. There is no conscription in England or in the colonies or in the United States. The last two points concern objection to military service. Every pacifist must have the right to object to serve, and those who are at present in prison must be released immediately.

With objection to military service we have arrived at the means which everyone has at his disposal—the weapon used by Gandhi, the only weapon which neither wounds nor kills—the weapon of non-co-operation or refusal. The conscientious objector need not overthrow the government, nor alter the law, nor introduce a new constitution. He does not become, like the others, a number, *one of a crowd, a sheep herded he knows* not where. He is the solitary individual, who had taken his standpoint in accordance with his own conscience.

He does not rush off when mobilization orders arrive and the entire population has lost its senses. He made his decision while all was still calm around him, and he was quiet within. He remains standing while the others flock. He is strong because his mind is balanced. He knows what risks he is running: Contempt, punishment, imprisonment, and sometimes death, but he also knows that he is not exposing others than himself, and he does it of his own free will. He is the vanguard, he is not fighting for a fatherland but for all humanity.

The Total Pacifists do not march against any other country, they will not enter upon any war, to preserve either freedom or peace. So long as

people can be conscripted and forced to go to war there is no freedom for them to defend. "It was war that turned free people into slaves," says Schopenhauer; and peace—yes, if they must go to war in order to preserve it, they themselves will break it.

—*The Calcutta Review.*

RUBBISH ABOUT REDS

In one respect Franco has been very successful. Even the presence of whole Italian brigades fighting on the Madrid front under orders from the Italian Government—for nobody can pretend that soldiers and munitions could leave Naples, Gaeta or La Spezia without the Duce's knowledge—has not disturbed the minds of our Imperialists. This is war without the declaration of it in a part of the world which vitally affects communications between different parts of the Empire. And yet I find scores of people, whose devotion to the Empire cannot be questioned, worrying far more about Communism, becoming such a ghost of itself in Russia, than about Italian and German ambitions, expressing themselves so blatantly in Spain and Spanish Africa.

There can be no doubt in the minds of anybody who visits Valencia today that the Communists, despite their superior discipline, are not in control. The most influential people there today are certainly not more extreme in their views than Herbert Morrison, and it is difficult to believe (unless one has prejudices that are almost hysterical) that a Spanish Herbert Morrison struggling to appease the claims of half a dozen autonomous regions could be a serious menace to the British Commonwealth of Nations.

The best comment I have seen on the whole situation comes from a French paper. "Do understand once and for all," says one Frenchman to another, "that with the Reichswehr along the Pyrenees our Spanish frontier is safeguarded against a surprise attack by the Cossacks from the Urals."

—Vernon Bartlett, *World Review*, London.

The Italo-Yugoslav Treaty

THE Permanent Council of the Little Entente was created the 16th of February 1933, as the instrument of a collective foreign policy. This council meets on the First of April 1937, in the capital of Yugoslavia.

Now, M. Stoyadinovich, the Premier of Belgrade, has recently given two severe blows to this organization. In January he signed with the cabinet of Sophia a pact of Bulgaro-Yugoslav friendship, which means, in practice, the creation of private ties between these two Southern Slav states weakening the Balkan Pact. Last week, M. Stoyadinovich has further emphasized his independent conduct of affairs by making an accord with Italy.

For years, Czechoslovakia and Rumania have incurred the enmity of Italy because they refused to treat with her separately thru solidarity with Yugoslavia. Today, Yugoslavia takes her stakes out of the game disregarding entirely her two partners. She agrees to enter with Italy into a treaty of a type qualified as "bilateral" by Germany and Italy, or, in other words, a treaty incompatible with resistance to an act of aggression committed against a third party.

Appearances have been saved by the article of the Italo-Yugoslav treaty which states that previous engagements of either party are not affected by it. But, besides the letter there is the spirit of a treaty to be considered, and the spirit of this contract is clear enough. For instance, the Italian press declared yesterday that this treaty would not be compatible with the treaty of mutual assistance between France and the Little Entente proposed in November by the French Government. But is this all? M. Stoyadinovich had to admit that he was engaged in conversations with Hungary independently of his allies.

Both Prague and Bucharest have adopted an optimistic tone, but it is doubtful whether they really feel happy. They both realize that Pan-Germanism will make a rapid advance if the national states of Central and Eastern Europe grow divided and cease to join their interests,—for it is not Italy that will benefit from a dissolution of the "French System."

—Pertinax in *Echo de Paris*, Paris.

A SINGLE LABOR PARTY FOR FRANCE?

From one end of the country to the other the working masses are impatiently awaiting the creation of a Single Party of the working class of France.

The workers are the more convinced of the necessity of union in that they see the representatives of Big Business using every means at their disposal to prevent the realization of reforms expected in the villages as well as in the cities.

Indeed the financial oligarchies impede the realization of budgetary reforms that would hit heavily large incomes and spare small ones according to the spirit of the Popular Front program.

The same monetary powers equally oppose the Old Age pensions that are a part of the program approved by a majority of the French voters.

It is these financial powers that subsidize the seditious leagues, the renewal of whose activity has been made plain by the tragic events of

Clichy. It is precisely because they understand this and because they feel the bitter struggle waged against them by the forces of reaction and oppression that the workers call emphatically for the creation of a unified Party of the exploited masses.

It is enough to glance back on the progress achieved in order to realize the enormous possibilities opened by the prospective union. If in 1932, the 130,000 members of the Socialist Party and the 25,000 members of the Communist Party already formed an appreciable force, what must we say now that the 304,916 members of the Communist Party together with the 202,000 members of the Socialist Party form a mass of more than half a million workers, a number that would rapidly increase if they united.

The case is the same in every field. If in 1932, the Socialist Youth had 11,286 adherents, as Paul Faure recalled last Sunday at Creil, while the Young Communist League numbered 3,000, there are now over 40,000 Young Socialists, while the Young Communist League numbers 92,044 members.

In regard to the press it is enough to add the average circulation of the *Humanite* of 450,000 copies, to the average circulation of the *Populaire* of 200,000 copies, to realize the enormous influence that the press of a unified party would possess.

Nothing should prevent the early realization of a union we so ardently desire.

Everything for Unity, *this is the fundamental* idea that must guide all those who sincerely wish to defend the interests of the popular masses of France.

In its next meeting, the Committee of Concord of the Communist Party and the Socialist Party will designate a Commission of Unification. We trust that this commission will act rapidly.

The idea of unity has made a considerable progress in the consciousness of the masses, and if, a few months ago, our Socialist comrades have found it difficult to agree to the convocation of a Congress of Union, the case is different now. This meeting is too close to the interests of the workers for the conference not to take place.

We shall consecrate all our efforts to the creation of a single, great Party of the working class.

Union must and shall come.

—Jacques Duclos in *Humanite*, Paris.

Il Travaso, Rome

IN THE STREETS OF MADRID

Night watchman: 'Nine o'clock—all is well.'

DEMOCRATIC DESPAIR

The events in Spain reveal once again the impotence of democracy where an active struggle is essential, as also the crass hypocrisy that surrounds this political doctrine. After Abyssinia, it was scarcely credible that the danger of precipitating a world war would again be exploited to paralyze the democratic countries in the face of fascist aggression, but our worst fears have now been realized. Again we are offered the excuse: If the Spanish Government were to be treated in accordance with international usage, we might be involved in a war with Italy and Germany. Fascism has so far been able to cash in every time on this war scare. How long will this continue? And yet it is clear that there would have been no war in Abyssinia or Spain if the three great Powers who stand for peace, had acted together in a close bond of solidarity. But it is evident that there is still a great deal that divides them.

People who are inspired by a genuine belief in democracy must, in the present circumstances, surely yield to despair. The outrageous attack on the democratic Government of Spain was as criminal in its design as it is possible to conjure up in one's mind, yet we have the sorry spectacle of leading papers and personages in Britain (the classic home of democracy) finding every excuse for the rebels, who were apparently goaded into action by the manner in which the Left Government tried to legislate, within very reasonable limits, let it be said, in favor of the working classes. Does not the Conservative Party of Britain perhaps favor the classes which it represents? Year in and year out the elements on the Left have waited with incredible patience for a majority in Parliament; at least on two occasions within recent times the Conservative Party cheated its way into office. We refer to the Zinoviev Letter election of 1925 and the election on Abyssinia last year. Not a word was uttered at the time about the crudities of democracy; but a Government of the Left groupings need only interfere in the slightest degree with vested interests to justify a rebellion from the Right, weapons in hand. Which goes a long way to confirm the radical contention that liberty and democracy in the modern world are doled out as a toy to distract

attention, but are quickly withdrawn upon the slightest indication that they are going to be used seriously. All the circumstances considered, democracy has no more persistent or insidious foe than the Money Power, to which it might say, as Dante said when he reached, in his journey through Hell, the dwelling of the God of Riches, "Here we found wealth, the great enemy."

—*South African Opinion.*

ARAB SUBMISSION

Those who have watched the course of events in Palestine will scarcely be surprised that Britain has at last been compelled to put the country under martial law. It is, if anything, an indirect admission that British rule in Palestine has failed to bring about peace and that it is only by the force of arms that the Arabs may be expected to submit to the foreign yoke.

That affairs in Palestine would come to this pass was almost a foregone conclusion. The Arabs, who since the War have been fed on false hopes and treacherous promises, have at last been thoroughly disillusioned; their faith in the honesty of the Mandatory Power has been rudely shattered; and if they have taken up an unequal fight it is only because they are convinced that there is no other way left for them by which they may record their protest against imperialist iniquity.

No wonder that the Arabs are angry. Palestine, they say, belongs to them; there are six Arabs to one Jew in the country; they meet the cost of all the development undertaken by the British, paying annually two and a half million pounds to Britain, while they paid only a hundred and eighty thousand to Turkey before. And yet Britain cannot make up her mind to give up Palestine, which is fast becoming the vital trade-route between the East and the West. The new motor and air routes between the Mediterranean and the Persian Gulf, as well as the new oil-pipe lines, must be controlled in British imperial interests. And Palestine must learn to subordinate her national aspirations to these British imperial considerations if she is ever to be declared fit for self-rule.

—*Amrita Bazar Patrika*, Calcutta.

FUTURE TROUBLE

A Rotterdam (Holland) newspaper recently stated that, contrary to the former opinion that in the event of an attack on Netherland India the Dutch might count on the support of "one or more foreign nations," the conviction is growing that an attack on the Archipelago will have to be repelled by the Netherlands and Netherland India "for a considerable time by their own forces without any military support from others.

"It is of the greatest importance," continued the newspaper, "to learn what the viewpoint of the great powers is in respect to the legal aspects of the matter, and present indications are indeed very alarming to our country. The fate of Ethiopia is one plain warning in a long series of warnings."

The *Batavia Weekly News*, commenting on this editorial expression, declared that what was stated "is quite true, but that, nevertheless, the situation of Netherland India is somewhat different from that of Ethiopia. * * * Foreign capitalist interests in Ethiopia were very unimportant as compared to Netherland India where millions of dollars of foreign money have been invested and in which nearly all the great powers have a share. The merely legal aspect of the case appears to us of minor importance because history shows that legal rights and common justice have never played a prominent part in the dealings of nations. * * *

Elsewhere in the same issue of the *Batavia News* there is reference to a recent decision of the Dutch Government to resume the training of native naval personnel. Following the mutiny of native sailors on the Dutch warship *Zeven Provincien*, some years ago, the naval training school at Macassar was closed.

Signs are not wanting that the course of the United States in the Philippines is being watched with interest in the Netherlands and Netherland India and may be followed in so far as that is possible.

With the mid-Pacific mandated area going rapidly Japanese, the Japanese already outnumbering the 50,000 native islanders in the region and continuing to come in at the rate of from ten to fifteen thousand a year, the people of Guam, lone American outpost in the otherwise Japanese Mariana Group, raise an almost despairing cry to America in a joint resolution recently adopted by the Council and Assembly of the Congress of the Island of Guam, for American citizenship.

—*Philippine Magazine*, October, 1936.

THE CUNNING BRITISH

"It is, indeed, a riddle, so far as Anglo-Chinese relations are concerned. Not long ago, with British capital, the Canton-Hankow railway line was completed. At the moment when the Sino-Japanese negotiations in Nanking were reaching the utmost tension, the Chinese Government authorities have cooperated with British capital for planning the development of the Hainan Island. On the 9th inst., the Finance Committee of the Legislative Yuan approved the issue of the Nanking-Kiangsi Railway bonds, amounting to $1,400,000, and, on the other hand, the Sino-British Boxer Indemnity Committee also recently decided to sign the contract for loaning to China a sum for the construction of the Ichang-Kweichow line of the Nanking-Kweichow Railway

and approved a credit loan to China, amounting to $17,770,000 in cash and £450,000 for material for railway construction. This amply shows that China has been placed under the control of British imperialism. Indeed, the whole of the Chinese nation has become paralyzed, after taking Indian opium; therefore, the Chinese people have not said even one word about it. It is beyond question that Great Britain has taken China as the object of exploitation. Her hereditary diplomatic policy, indeed, reflects her utmost cunning. However, Japan shares the burden with China for the "renaissance" of the Orient, and she should have special connection with China especia viewed from economic relations. Under the fluence of the conspiracy of the third nati China has naturally misunderstood the situati due to the fact that the character of the Japan people is straightforward and naïve. As a cor quence of this, the Sino-Japanese negotiations Nanking have reaped such an untoward harv Indeed, such unfortunate results are nothing the fruits of destiny, which rules these two co tries. We should be brave enough to get rid all obstacles and to struggle for the welfare the Orient."

–Shanghai Maini

North Carolina Teachers—"Slaves?

CONSIDERABLE difference of opinion exists about the position of *mui-tsai* in the social scheme, some denouncing bitterly the system as one of slavery, whilst others think that while there may be many who abuse their authority, there are many more who treat these girls with reasonable consideration. Our own views of the matter do not matter, as we are not proposing to discuss the *pros* and *cons* of the *mui-tsai* system, but to seize this opportunity of quoting a little item from an American magazine which shows that "slavery" has not been altogether abolished even in the United States. We seem to remember that there was a war fought on this issue, and it was won by the side which advocated freedom for the Negro slaves, but apparently like the later and bigger struggle which was to make the world safe for democracy, the Civil War failed to produce the results expected of it, just as did the 1914–18 affair. However, let us not be led into any disputation of *welt-politick*, or whatever they call it, but tell our readers what a young American woman had to promise to do before being given a job as a teacher in a small school in North Carolina: "I promise to take a vital interest in all phases of Sunday-school work, donating all my time, service, and money without stint for the benefit and uplift of the community. I promise to abstain from all dancing, immodest dressing, and any other conduct unbecoming a teacher and a lady. I promise not to go out with any young man except in so far as it may be necessary to stimulate Sunday-school work. I promise not to fall in love, to become engaged or secretly married. I promise to remain in the dormitory or on the school grounds when not actively engaged in school or church or elsewhere. I promise not to encourage or tolerate the least familiarity on the part of any of my boy pupils. I promise to sleep at least eight hours each night, to eat carefully, to take every precaution to keep in the best of health and spirits in order that I may be better able to render efficient service to my pupils. I promise to remember that I owe a duty to the townspeople who are paying me my wages; that I owe respect to the school board and to the superintendent who hi me; and that I shall consider myself at all ti the willing servant of the school board and townspeople and that I shall cooperate with th to the limit of my ability in any movement air at the betterment of the town, the pupils, or school."

We are not quite certain which of two fa astounds us the more — that any freeb U. S. citizen could have the nerve to draw such a contract, or that any American girl woman could be so desperately hard-up that could bring herself to agree to accept such rageous conditions. When not "actively engag in school or church work, this wretched citizen of our sister Republic across the Pacific agr to stay, either in the school dormitory or on grounds, promises to sleep at least eight ho every night (she's lucky if able to keep that pled for she has one third of a day to forget horrors of the other two thirds), and so be the best of health "and spirits" (!) to ren efficient service and *respect to* the school bo *and* the superintendent who hired her! It astonishing that any body of men * * * outs a lunatic asylum could have the idea that respect was due the framers of such an outrage contract as that quoted above. Even a *mui-t* is free to fall in love, and to encourage or toler the advances of a "boy friend" if one should sh any interest in her. It is possible, of course, t the "girl-slave" in China would be kept so b that she would have no time to make or rece amatory advances, but the "teacher-slave" North Carolina solemnly pledges herself not (to marry, (2) to become engaged to be marri (3) to fall in love, (4) go out with any you man, except it be "to stimulate Sunday-sch work," or (5) to encourage or tolerate the "le familiarity" on the part of a boy pupil. We h never lived in North Carolina, but from what know of life in China, we would much prefer be a *mui-tsai* than a school-marm in some pa of the Land of the Free and Home of the Brave

The China Weekly Chron

CHRONOLOGY

Highlights of Current History, Apr. 12–May 10

DOMESTIC

APRIL 12—U. S. Supreme Court upholds National Labor Relations Act in five cases; decision five to four in four cases, one decision unanimous.

James H. Rand, Jr., Remington-Rand Inc., president, and Pearl L. Bergoff, of New York, indicted by Federal Grand Jury in New Haven, Connecticut, for violation of Byrnes Act by bringing strike-breakers to Remington-Rand plant at Middletown, Connecticut.

Senator Robinson, of Arkansas, warns Senate drastic retrenchment in Federal expenditures necessary to avoid new taxes; new sources of revenue necessary for tax increase, he says.

APRIL 13—Secretary of Labor Perkins announces conference on Wagner Act; representatives of labor, government, industry to meet in Washington to discuss stabilization of industrial relations under collective bargaining.

President Roosevelt orders re-survey of expenditure requirements of departments and government agencies for 1937 fiscal year ending June 30; moves to meet adverse budget trend caused by revenue drop from January 1937 estimates.

Two negroes, accused of murdering white man, tortured, then lynched in Duck Hill, Mississippi.

APRIL 14—President Roosevelt and Secretary of State Hull make plea for peace at Pan-American Union on seventh annual observation of Pan-American Day.

APRIL 15—House passes Gavagan Anti-Lynching Bill by 277 to 119 vote; vote largely on Northern-Southern sectional lines.

Secretary of Treasury Morgenthau announces resumption of "new money" borrowing to meet deficiency in Treasury's working balance.

APRIL 16—First Circuit Court of Appeals of United States, in Boston, rules Social Security Act unconstitutional in regard to unemployment insurance and old-age provisions.

Federal Deposit Insurance Corporation expels North Bergen Trust Company, of North Bergen, New Jersey, effective May 1; first bank expelled since inception of F. D. I. C.

APRIL 17—Senate extends for ten days hearings of Senate Judiciary Committee on President Roosevelt's court reform plan; extension contingent upon finding witness to give testimony.

APRIL 18—Senator Vandenberg puts unemployed at 2,975,000; urges complete census.

Harper Sibley, Chamber of Commerce of United States president, urges modification of surplus tax on undistributed corporate earnings.

APRIL 19—Newspaper poll shows Governors against cut in Federal aid if greater State burden necessary; sentiment favors continuation of WPA, CCC, other agencies on present $2,000,000,000 a year scale.

APRIL 20—President Roosevelt, in message to Congress, makes strong demand for governmental economy; asks lump-sum appropriation of $1,500,000,000 for relief, work relief, for 1938 fiscal year.

Congressional leaders begin drive to lower appropriations: Senator Byrnes to ask cut in relief to $1,000,000,000.

APRIL 21—National Guard patrols Lewiston-Auburn, Maine, shoe strike area; strike in nineteen factories in twenty-eighth day flares into national prominence.

Sixteen former employes of Brooklyn Jewish Hospital, in Brooklyn, New York, accused of participating in "sit-down" strike, convicted on four counts of endangering property and lives of patients.

House passes Water Pollution Bill by 187 to 121 vote; bill provides $1,000,000 yearly for study and aid to States, municipalities, industries to end water contamination; bill blow at economy drive.

Secretary of Agriculture Wallace abandons new farm program in economy drive; "ever normal granary" plan put on demonstration basis.

APRIL 22—Peace negotiations begin in strike in shoe plants in Lewiston-Auburn, Maine; National Guard continues patrol.

Charles P. Taft, son of late President Taft, in Washington, hits "red-baiting" of D. A. R. in address to them.

APRIL 23—Ford Motor Company plant in Richmond, California, closed by "sit-down" strike; strikers protesting alleged discrimination against union members.

Hershey Chocolate Corporation employes reject United Chocolate Workers of America, C. I. O. affiliate, as collective bargaining agency; Loyal Workers Club chosen by 1,542 to 781 vote.

United States Government files suit in New York for dissolution of $174,000,000 Aluminum Company of America; charges it a trust controlled by Andrew W. Mellon, relatives and associates.

House defeats proposal of Representative Tabor, of New York, to cut items in Agricultural Department's $927,000,000 appropriation bill by 10%; House passes bill carrying $5,000,000 less than budget estimates by viva voce vote.

Senate Judiciary Committee ends hearings on President Roosevelt's court reform plan; committee begins executive deliberations.

APRIL 24—Senator Ashurst, Chairman of Senate Judiciary Committee, admits possibility of

committee veto on President Roosevelt's court reform plan.

Judge Harry Manser, of Maine Supreme Court, rules maintenance of commissary and field kitchen by C. I. O. union for strikers, in Lewiston, Maine, violates injunction against strike; later hearing to decide whether commissary to be formally banned.

APRIL 25—Senator Byrd, of Virginia, asks merger of HOLC and FHA for economy; move would save $24,500,000 annually, he says.

Agreement ends strike in Ford Motor Company plant in Richmond, California; company not to discriminate against union, will recognize seniority right.

APRIL 26—U. S. Supreme Court frees Angelo Herndon, negro Communist on five to four decision; rules Georgia Reconstruction law wrongfully applied.

President Roosevelt intervenes to avert strike of Brotherhood of Railway Clerks in New York; appoints emergency board to investigate disputes.

Judge Manser, of Maine Supreme Court, allows commissary of striking shoe unionists to remain open in Lewiston, Maine.

APRIL 27—Representative Cannon, of Missouri, introduces bill to impound 15% of appropriations approved for 1938 fiscal year; would give President power to restore 1% to 15% of cut.

President Roosevelt asks Congress to postpone action on Miller-Tydings bill to control prices; warns against "present hazard of undue advance in prices with resulting rise in cost of living."

Conference of Senate-House committees reach agreement on neutrality legislation to replace law expiring midnight May 1.

APRIL 28—Senators McCarran, Hatch, O'Mahoney, of Senate Judiciary Committee join opposition to President Roosevelt's court reform plan; apparently makes certain unfavorable report on bill.

Former Governor John G. Pollard, of Virginia, dies.

APRIL 29—Congress adopts permanent neutrality law to replace temporary legislation.

Senator Robinson endorses Senator Byrnes' plan to cut 10% from all appropriations for 1938 fiscal year; calls "adjustable" 15% cut in Cannon resolution impractical.

Chamber of Commerce of United States adopts resolution demanding drastic changes in National Labor Relations Act; opposes President Roosevelt's court reform plan.

William Gillette, actor, dies.

APRIL 30—House passes $416,413,382, War Department Bill; bill carries $25,037,598 more than previous bill in effort to bring army nearer goal of adequate national defense.

MAY 1—3,000 technical workers in movie studios strike in Hollywood, California; demand "closed shop."

John D. M. Hamilton, Republican National Committee chairman, in air talk, sees no substitute for Republican party as "vigilant and vigorous" opposition.

Senator Robinson, majority leader, urges cooperation in economy plans of Congress.

MAY 2—President Roosevelt, fishing off Texas coast, signs new neutrality law.

Eleven unions of Federation Motion Picture Crafts join strike against movie studios in Hollywood, California; Screen Actors Guild defers action on strike.

MAY 3—"Gone With The Wind" by Margaret Mitchell, wins Pulitzer Prize for novel; "You Can't Take It With You," by George S. Kaufman and Moss Hart, prize winning play.

Senator Logan asks Senate Judiciary Committee to vote first on President Roosevelt's court reform bill, then consider compromises submitted; constitutionality of bill challenged by Representative Pettengill, of Indiana.

Move to cut relief appropriation from $1,500,000,000, to $1,000,000,000, gains in Congress; Senator Byrnes in air talk, asks public support of plan to cut appropriations.

MAY 4—Dr. Heinrich Bruening, exiled former Chancellor of Germany, appointed to Harvard University faculty.

Six hurt in strike riot in Hollywood, California; strikers threaten nation-wide boycott of films of ten studios.

Senator Ashurst demands President Roosevelt's bill for court reform be unchanged; "I just want the bill as is or nothing," he says.

MAY 5—Harry L. Hopkins, WPA Administrator tells House subcommittee $500,000,000 cut in relief would take 400,000 off relief rolls; State and local communities would have to take responsibility, he says.

Secretary of Commerce Roper advises business against "unguarded expansion" predicted on "abnormal demand conditions" resulting from foreign armament activities; explains statement is "warning against a boom."

MAY 6—Powers Hapgood, New England C. I. O. secretary, five leaders of Lewiston-Auburn, Maine, shoe strike, guilty of violating temporary injunction against strike activity; sentenced to six months in jail.

German dirigible Hindenburg destroyed by fire and explosions just before landing at Lakehurst, New Jersey, after transatlantic flight; cause of fire not known; death toll put at thirty-four.

Chief Justice Hughes hits President Roosevelt's court reform plan by implication in address to American Law Institute, in Washington; if society is to choose processes of reason opposed to tyranny "it must maintain the institutions which embody those processes," he says.

MAY 7—Hindenburg disaster death toll thirty-three; U. S. Department of Commerce takes charge of official investigation.

MAY 8—Hindenburg death toll reaches thirty-five; U. S. Navy names board to investigate.

Screen Actors Guild begins vote on strike question in Hollywood, California.

MAY 9—Most movie studios in Hollywood, California, capitulate as Screen Actors Guild authorizes strike; technical workers continue picketing.

MAY 10—U. S. Department of Commerce begins investigation of Hindenburg disaster.

SPANISH CIVIL WAR

APRIL 12—Rebels claim France trains loyalist pilots; also asserts Russia is aiding loyalists.

APRIL 13—Bilbao fears starvation as Britain lifts protection from British ships running rebel blockade; rebels press drive against city.

Fighting on Madrid front deadlocked.

APRIL 14—Loyalists observe sixth anniversary of Spanish Republic.

APRIL 15—Rebels heavily bombard Bilbao.

Rebels attack on Madrid front on road to Valencia.

APRIL 16—Loyalists launch offensive north of Teruel City, 150 miles east of Madrid.

APRIL 17—Basque loyalists halt rebels at Eibar on march against Bilbao; rebels suffer heavy casualties.

APRIL 18—Rebels and loyalists in fight for air superiority.

APRIL 19—Twenty-seven nations begin patrol of Spanish coasts and frontiers; will guard against war supplies and volunteers.

APRIL 20—Rebels gain against Bilbao.

Loyalists report gains near Teruel City.

APRIL 21—Madrid under heavy day long bombardment by rebels; 32 estimated killed.

APRIL 22—Rebels continue gains against Bilbao.

Rebels bomb Madrid; 250 estimated killed last eleven days.

APRIL 23—Protected outside three mile limit by British Cruiser Hood, three British food ships run rebel blockade of Bilbao.

Rebels gain in drive on Bilbao; dominate approach to Durango.

APRIL 24—Civil rule restored to Madrid; Municipal Council created; General Miaja continues head of military operations.

Rebels, thwarted in attempt to starve Bilbao, press land attack.

APRIL 25—Rebels capture three peaks of Enchortas; Basques pushed back.

Two more British food ships run rebel blockade to Bilbao.

APRIL 26—Rebels enter Durango, key defense of Bilbao, and Eibar.

Loyalist fliers seek to silence rebel guns shelling Madrid.

APRIL 27—Guernica, historic Basque town wiped out by rebel fliers.

Rebels advancing against Bilbao consolidate positions.

Rebels continue bombardment of Madrid; 280 estimated killed in sixteen day barrage.

APRIL 2?—Bilbao defenders drop back to last line of defense; Valencia sends thirty-two planes to combat rebel bombers.

Madrid's City Council demands evacuation of civilians; 300 dead in eighteen days of rebel bombardment.

APRIL 30—Loyalist planes sink rebel battleship Espana, five miles off Santander; loss of life heavy; first time in warfare planes sink battleship.

MAY 1—Rebels shell Madrid twenty-second straight day; total dead put at 322.

MAY 2—Rebels make gains against Bilbao; loyalists rush evacuation plans.

MAY 3—Rebels bomb Basque lines; fighting renewed in University City, Madrid.

MAY 4—Anarchists control part of Barcelona, capital of autonomous Spanish State of Catalonia, after uprising; report Catalan authorities control center of city; 100 killed in fighting.

MAY 5—Report anarchist rebellion quelled in Barcelona; anarchists hold two towns; new provisional government ruling Catalonia.

MAY 6—Anarchists regain control in parts of Barcelona; believed dominating situation.

5,000 women and children leave Bilbao for France.

MAY 7—Anarchist revolt in Barcelona ends; loyalists assume defense functions; death toll put at 200.

MAY 8—Rebels pound Basque lines.

Loyalist police arrive in Barcelona to impose order.

MAY 9—Rebels continue gains against Bilbao.

MAY 10—Basque last line of defense holds despite terrific pounding of rebels.

INTERNATIONAL

APRIL 12—British Foreign Secretary Anthony Eden predicts a stalemate and a "peace without victory" in the Spanish war, defending policy of non-intervention.

Rebels charge that French Government is sanctioning training of loyalist aviators and that Russia has been supplying war materials.

APRIL 13—Dr. Hjalmar Schacht, German Minister of Economics, received cordially in Brussels, but fails to obtain for Germany further supplies of Belgian-controller raw materials.

Conference of Swedish, Danish, Finnish, and Norwegian Foreign Ministers to meet in Helsingfors.

APRIL 14—Dr. Schacht asserts that political stability must precede economic recovery. Observers doubt possibility of substantial moderation of German economic policies.

British House of Commons upholds policy with respect to Bilbao situation by 345 to 130 after stormy debate.

APRIL 15—In most peaceful meeting yet held, Dino Grandi, Italian delegate, tells London Non-Intervention Committee that Italy will consider withdrawal of "volunteers" fighting on both sides in Spain.

APRIL 16—Paul van Zeeland, American-educated Premier of Belgium, to visit United States to discuss trade improvements with President Roosevelt and Secretary Hull.

Sir Samuel Hoare, First Lord of British Admiralty, appeals to Japan to limit warships.

Naval patrols off Spain not to stop American vessels, Non-Intervention Committee decides, in belief that United States neutrality embargoes will prevent shipments to combatants.

APRIL 18—Sixty British, French, Italian, and German warships to start patrolling Spanish coasts, and 500 observers to be stationed on territorial borders on April 19 at midnight.

French Foreign Minister Delbos asserts that

France will support plans for economic peace.

APRIL 19—Hitler assures George Lansbury, English labor leader, that Germany is willing to participate in an arms and trade conference.

Loyalist Government opposes control scheme and challenges good faith of Italy and Germany.

APRIL 20—Little likelihood seen of change in German policy despite Hitler's assurances to George Lansbury.

APRIL 22—In Venice conference, Mussolini refuses to support restoration of monarchy in Austria or to give armed aid against Germany.

Conference of Swedish, Danish, Norwegian, and Finnish ends, having recommended strengthening of League of Nations, control of sales of arms to larger nations, and objects of Oslo conference.

Premier Stanley Baldwin announces that Britain will participate in world conference if success is assured.

APRIL 23—Venice conference communique admits Germany to equal footing with signatories of Rome protocols, expressing opinion that no settlement of Central European problem possible without her active participation.

German delegation negotiates in Bucharest for acquisition of 10,000,000 marks worth of Roumanian oil and grain.

Protected by British Navy outside three-mile limit, three British foodships run Franco's blockade and reach Bilbao.

APRIL 26—Col. General Hermann Goering discusses Spanish situation, Austria, and economic independence with Italian Foreign Minister Count Ciano in Rome.

APRIL 29—Belgian financial expert visits Berlin and discusses commercial agreement with Dr. Schacht.

APRIL 30—Capitulations, the treaties under which foreigners enjoy special rights in Egypt, to be ended in 1949, as result of conference at Montreux.

MAY 3—German Foreign Minister von Neurath arrives in Rome to increase German-Italian cooperation.

Bank for International Settlements, in annual report, recommends lower price for gold.

Great Britain inquires of General Franco whether he intends to raze Bilbao.

MAY 4—In conferences at Rome, Italy and Germany plan four power mid-European bloc with Hungary and Austria; decide to give Franco one more chance in Spain.

MAY 6—Austria to fall into German constellation, says *Giornale d'Italia*; Reich and Italy insist upon autarchy plans.

Twenty-two nations sign world sugar pact.

MAY 8—Mussolini breaks off journalistic relations with Great Britain.

FOREIGN

Canada

APRIL 11—Five thousand strike sympathizers in Oshawa attack Premier Hepburn and vote confidence in Hugh Thompson, UAWA organizer, although announcing affiliation with Toronto and District Trades and Labor Congress.

APRIL 12—Premier Hepburn issues statement offering eight concessions on part of General Motors of Canada if workers return to work without insisting upon recognition of UAWA, CIO affiliate.

APRIL 13—Premier Hepburn swears in 200 special constables and asks Federal Government for additional mounted police to guard strike situation.

APRIL 14—Attorney General Arthur Roebuck and Minister of Labor David Croll forced out of Hepburn Cabinet over strike issue.

APRIL 15—UAWA agrees to settlement of General Motors of Canada strike on basis of local unions without recognition of CIO as an "international organization"; peace conference called.

APRIL 17—General Motors strikers accept company proposal for resumption of peace negotiations without international representatives of UAWA or CIO.

APRIL 18—Slowdown strike affecting 110,000 workers in U. S. plants threatened if General Motors of Canada refused to recognize Canadian local of UAWA.

As a result of strike, half of Montreal's 100 dress manufacturers, International Ladies Garment Workers Union, CIO affiliate, as sole bargaining agency, but Catholic Church in Quebec denounces international unionism as communistic.

Nova Scotia Government recognizes collective bargaining in advanced bill.

APRIL 19—Oshawa strikers reject peace terms which omit reference to recognition of Unions.

APRIL 21—Premier Hepburn obtains preliminary agreement on peace conference between union and company officials, but CIO recognition excluded.

APRIL 22—Negotiators reach agreement as to peace plan to be submitted to workers for vote.

APRIL 26—By agreement with Federal Government, British Columbia acquires Yukon Territory, becoming nation's second largest province in area.

China

APRIL 11—Japan blocked in North China as General Sing Cheh-yuan, head of Hopei-Chahar Political Council, becomes more friendly with Nanking; uncertain situation discourages private Japanese investors; airline linking North China and Manchukuo only Japanese project launched.

APRIL 17—With southward extension of Nanking's influence, British investments boom in South China.

APRIL 18—Secret agreement revealed for formation of new national defense council; inclusion of Pai Chung-hsi, Kwangsi leader, signifies consolidation of Nanking's control as well as its determination to resist Japan.

APRIL 20—Great Britain plans expenditure of $120,000,000 over five years in making Hongkong second only to Singapore to offset Japanese base at Formosa.

France

APRIL 11—Split predicted at Socialist conference on April 18 between Marxists who would join Communists and follow revolutionary policy and those who would retain alliance with Radical-Socialists.

APRIL 17—Splits in Socialist ranks may lead to "purge." Four sects at odds as Premier Blum prepared to defend policies before National Council of Socialist Party.

APRIL 19—After stormy debate in National Council of Socialist Party, M. Blum's policies upheld when resolution calling for dissolution of "Left Revolutionary" sect passed by 4573 to 25.

APRIL 21—Owing to opening of Paris Exposition, Socialist Party postpones until July 10 congress at which tension between Right and Left is to be discussed.

APRIL 27—By delaying interpolations concerning the Government's policies, Premier Blum relaxes political tension and prolongs tenure of office; "breathing spell" for business to be continued.

APRIL 28—Government proposes to take control of debt-burdened railroads; all lines to be merged into a single company with state holding 8 per cent of stock.

Germany

APRIL 11—Police close several Jewish sports clubs and Jewish school for emigrants; restlessness and anti-Hitler propaganda held responsible.

APRIL 13—Government protests against papal encyclical of March 21 charging breach of concordat of 1933, declaring that Reich will not tolerate any interference in its internal life.

APRIL 20—Military display marks Chancellor Hitler's 48th birthday.

APRIL 24—One thousand Protestants defy police to hold protest meeting in Darmstadt.

APRIL 25—Huge fair planned for Duesseldorf to rival Paris exposition.

APRIL 27—Membership of National Socialist Party to be raised from 3,500,000 to 6,000,000.

APRIL 28—Catholic priest sentenced for "preparation for high treason."

APRIL 29—One thousand monks to be tried on charges of immorality in war against Catholics.

MAY 1—In May Day speech, Hitler defies political opposition of churches.

Great Britain

APRIL 13—Neville Chamberlain declares in favor of maintenance of currency status quo; asserts that he is leaving way open for trade treaty with United States when circumstances more favorable—i.e. after Imperial Conference.

APRIL 20—In severest budget since 1931, Neville Chamberlain, Chancellor of the Exchequer, announces growth-of-profits tax up to 33⅓ per cent and raises basic rate of income tax to 25 per cent.

APRIL 21—New taxes, aimed at rearmament and coronation profiteers, accepted by industry as "national defense contributions."

APRIL 24—Forty-five thousand London busmen threaten strike unless demand for 7½-hour day is accepted.

APRIL 25—Chancellor of the Exchequer announces £100,000,000 loan, first instalment of £400,000,000 the Government is authorized to borrow to cover rearmament.

APRIL 30—"Coronation bus strike" starts at midnight; 25,000 busmen out; national coal strike voted for May 21.

Ireland

APRIL 30—President Eamon de Valera announces new constitution; Irish Free State becomes "Eire" republic; legislative structure altered; no reference to King George VI or British Commonwealth of Nations.

Japan

APRIL 17—Election campaign devoid of vital issues.

APRIL 30—Labor gains expected in general election as polls open.

MAY 1—Early returns show sweeping victory for Minseito and Seiyukai parties and defeat for cabinet; cabinet announces that it will retain power, despite adverse vote.

MAY 3—Army-supported Hayashi cabinet faces critical decision following overwhelming electoral defeat. Proletarian groups double strength in House.

MAY 12—Premier Hayashi decides to remain in office.

Roumania

APRIL 15—Prince Nicholas refuses to leave country at dictation of his brother, King Carol, for refusal to renounce marriage to a commoner; Iron Guard supports him.

APRIL 16—Government considers taking definite action against Iron Guard for its stand in favor of Prince Nicholas.

APRIL 18—In letter to Premier Tatarescu, former Prince Nicholas denies any connection with the Iron Guard; Bucharest municipal elections bring victory for governmental Liberal party.

Russia

APRIL 21—Alien experts ordered watched in order to check sabotage.

APRIL 25—Officials of large factories charged with bribery and private manufacturing; anti-graft campaign launched.

APRIL 29—Consumer prices to be reduced on June 1 and July 1, to coincide with rise in wages.

MAY 1—May Day parade demonstrates armed power of Soviet.

MAY 2—Easter religious services attended by 50,000 in Moscow.

This Month's
CURRENT HISTORY

Both Great Britain and the United States have weighty budgetary problems; there the resemblance ends. The former is meeting the expenses of a war that is yet to come, the latter has to pay for fighting a depression that promises to pass. The former has decisively made the taxpayer foot the bill; the latter has left most of the burden to posterity and is not sure what to do next. The American problem deservedly continues in the headlines and is surveyed by the editors in *Paying Off the New Deal.*

In Spain, the British are losing prestige, the rebels are losing confidence, and the loyalists are losing in the Basque provinces. In a striking sequel to *Foreign Aims in Spain,* which was published in the March issue, **Lawrence A. Fernsworth** examines the situation, particularly with respect to what the Germans and Italians are likely to do. For instance, will they use the poison gas which has been imported but not yet used? The author of *Spain Balks the Fascists* is the American-born Spanish correspondent of the London and New York *Times.*

The politicians, the experts, and the professors have all had their say about the President's proposals for revising the Supreme Court. Everyone has been heard and read—at length—save the person whose opinion is the one which ultimately counts—the famous "man in the street." His opinions have been chronicled by **Richard L. Neuberger** in *America Talks Court* who has sounded out a variety of individuals ranging from nurses to truckdrivers. Mr. Neuberger, a former contributor to *Current History,* is a feature writer for *The Oregonian* (Portland).

Japanese statesmen have been surprising the world by the temperance of their recent attitude towards China. One reason for the sudden change from their previous blood-and-thunder point of view has been the emergence of *China's United Front,* described in this issue by **Frederick V. Field,** a member of *Current History's* editorial advisory board, and secretary of the Institute of Pacific Relations.

On June 1, the French Popular Front celebrates the conclusion of one year in office—a record-breaking tenure for a French government. *New Deal: French Style* pays tribute to M. Blum's first birthday as France's Premier. **Norton Webb,** the author, spent 12 years in Europe after the War, serving as deputy Paris correspondent for *The Manchester Guardian* and as special correspondent for *The Scotsman* (Edinburgh).

The Scandinavian countries have generally escaped attention as potential war zones, but lately they have been disturbed by mysterious nocturnal air maneuvers, carried out by the Germans and Russians. **Joachim Joesten,** a special correspondent for *Le Temps* (Paris), *Journal de Genève,* and other European dailies, contributes a fascinating account of these developments in *North Europe's War Rehearsal?*

There has been much talk of a Pan-American neutral entente and the disappearance of the Monroe Doctrine. *Monroe Doctrine: 1937 Edition* puts all of this in a new perspective and sheds a brilliantly revealing light upon the Buenos Aires conference and America's newly formed neutrality policy. The author, **Genaro Arbaiza,** is a distinguished South American journalist, was a correspondent for the old *World,* and is now writing a book on the relations between North and South America.

Palace intrigue, romance, the notorious Iron Guard, and the well-known fascist-communist struggle fill the Roumanian political scene. In *Behind Roumania's Crisis,* **Charles Hodges,** a former contributor to this magazine and professor of politics at New York University, who recently visited Roumania, describes the contending forces.

Behind the more publicized aspects of rearmament, there is a quiet but equally important struggle for fuel to feed tanks and other war machines. **William Gilman,** as a journalist with foreign experience and a former United States Army chemist, describes it in *Mobilizing with Gasoline.*

Roll-Call on Treaties provides a condensed guide to the foreign policies of all the important nations as reflected in the obligations which they have undertaken. The extensive research necessary was undertaken by **Vance O. Packard,** a student at the Columbia University Graduate School of Journalism.

Ireland spilt some cold water on the British Coronation by announcing a new constitution, but a more fundamental source of conflict between the two nations has been over trade. **Willis B. Merriam,** of the geography department of the University of Washington, analyses *Ireland's Trade War.*

Your Funds and Mine, a subject of personal and public importance, comes from the pen of **Joseph E. Goodbar,** president of the Society for Stability in Money and Banking and author of *Managing the People's Money* (Yale University Press).

In *India is the Peasant,* **F. M. de Mello** describes the forces underlying all the present constitutional upheavals. Mr. de Mello is a native of India and the author of *Problems of Rural Reconstruction in India* (Oxford University Press).

TRAVEL

Where History Is in the Making

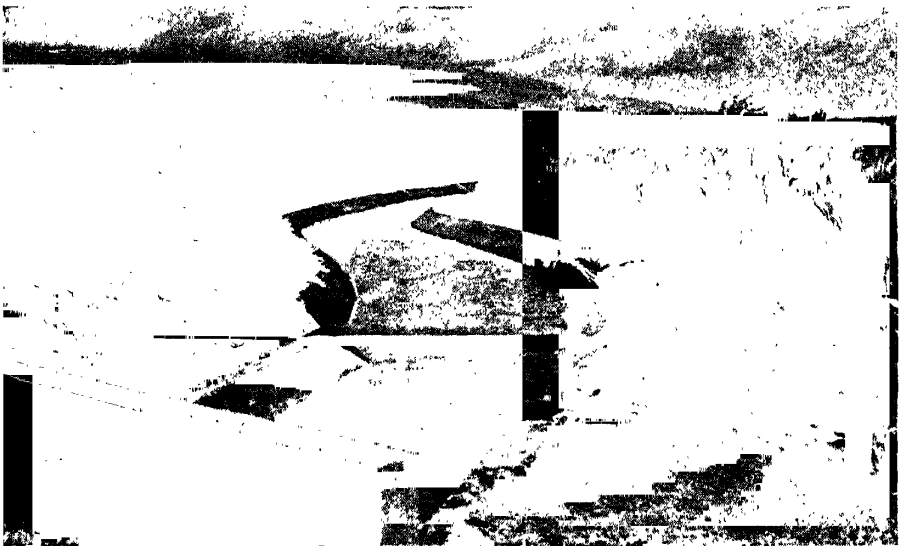
TWO scientists booked for legendary trails, seeking to prove or disprove the established theory of the origin of Polynesians, recently ailed from the Territory of Hawaii in that ancient ative craft, the double canoe. Consisting of Capain Eric de Bisschop and Joseph Tatibouet and orking under the auspices of the Geographic ociety of France, the expedition originally eached Hawaii two years ago in search of scienfic information on the history of Polynesian igration.

Such events are startling, even in an area where e extraordinary is the usual thing. For the peole of Hawaii have not yet universally accustomed emselves to the advancement of their isles. They ecall that less than a long life-time ago grass huts ere still common and the only transportation was at afforded by ships whose sails heeled to the rade Winds.

Few sections of all the American nation rank ith the Pacific Territory in dramatic history; w rank in accomplishment.

Born of fire that thrust the mountain peaks bove the blue waters in some distant age, Hawaii as unknown to civilization until the voyages of aptain Cook during the revolutionary war peod. Its islands, stretching northwest to southeast across the middle of the Pacific, were populated only by dark-skinned Island folk who had drifted northward following the stars a thousand years before. Cook, though killed by the natives, had found them a friendly people. His death, however, was the fault of his own men and not the natives. His bones were revered and his memory carried through the years. The place of his death is honored by two nations—England who owns the land immediately about it, and America, who granted that plot to the country which gave him birth.

No visit to the Territory can be complete without some knowledge of Hawaii's background. To journey by express liner to Honolulu, and take the accustomed routes about Hawaii and then return, is not to know her. One gains a glimpse of the tapestry of her existence from the relics of her museum, but it is beyond that—beyond the recorded facts of history—that the secret of her allure is found.

Legends say this land was the chance find of thirst-crazed native warriors seeking some new homeland. Through the centuries they had been driven from Indo-China steadily eastward. At Raiatea in the Societies, which they called Hawaiki, some turned northward. Unknown weeks

;IENCE IN HAWAII: Economic conservation, exemplified by the irrigation ditch through the canefield on the Island of Maui, is in evidence throughout the Hawaiian Islands.

later, some of these found Hawaii, and successfully returned those thousands of miles time after time, until they and their families were established.

Today in the Islands one still sees relics of those older days as he goes "behind the scenes" into the trails and by-ways. Near Makapuu is an ancient roadway, paved with lava stone, built by some unknown king to speed communication. Beyond the Pali lie the crumbling ruins of a forgotten town, once evidently populous, but whose whole history is now forever buried in the past. On the Kona Coast are the walls of pagan temples, and the well-preserved outline of an ancient City of Refuge whose customs strangely paralleled those of Biblical times.

But those things are chiefly memories today, memories that add to the brightness of a colorful land. They are the foundation of her heritage, whose structure builds upward through the tribal wars that brought Kamehameha, the Great King, to the throne and gave Hawaii the chance for greatness of which she later availed herself.

It was at this era that Cook found them; and just at the close of the kingship of the Great One the missionaries came. And the missionaries, despite all that has been said of such workers in other fields, were the making of Hawaii. For with their spiritual efforts they combined temporal education and introductions into the science of agriculture. Their school at Punahou, still active, was the seat for California's learning in the troublous '40s and '50s. Their farm plantings and instruction in economic conservation were so instrumental in preserving the national integrity of the kingdom that some of these Ambassadors of the Almighty drew favored seats in the royal council chamber.

Island industry saw its actual start just over one hundred years ago. The long miles of sugar cane whose silvered tassels now greet the traveler to Hawaii are the outgrowth of one small plantation started by Ladd and Co. a century back. But it was union with the American nation that really gave life to the work. Following annexation in 1898, sugar production was increased in swift leaps from its 10-ton annual start to the current 1,000,000-ton yield, a yield that places the Territory as the most important of American cane sugar areas, supplying sufficient sweets to meet the needs of 20,000,000 people.

But all that is "off-stage" to the average visitor. Dancing to the music of the Royal Hawaiian orchestra at Waikiki gives no indication of the industrial activity behind the scenes; even standing at the Pali's brink one sees only the colorful pattern of fields and cliffs and distant seas so har-

monized as not to intrude the jarring note of business on an idyllic land. It is as efficiently camouflaged as is the national militarization of the place. And *that* nears perfection!

No other section of America is said to rank with Hawaii in its effective fortification. The Islands have been called the "front line" of western defenses. The statement is inaccurate. The front lines are far beyond Hawaii; Hawaii is today—in effect the California shore projected 2,000 miles into the Pacific, and the "front lines" of defense are a thousand miles beyond!

Aviation has made that possible, a science that proved its adaptability in Pacific waters by commercial operation that started seven years ago. The Inter-Island Airways, Ltd., built fields and proved the feasibility of overwater flights between the scattered islands by a no-accident-to-passengers-or-crew record that is still maintained. Their fields were augmented by those of the army and navy until at the present time no island is beyond reach of armed protection.

The Territory of Hawaii is perhaps more adequately protected than any other section of the nation. Oahu Island forts can drop monster projectiles up to twenty miles at sea. In Pearl Harbor submarines and ships of war are constantly based. And over the Island scouting and bombing planes maintain their training for any emergency that may arise.

Recent news clippings have recounted the shipment to the Islands of new long range flying equipment. Midway Island, Pan American base 1400 miles northwest of Honolulu, is naval terri-

tory, suitable for planes. Johnston, 839 southwest, and Howland, 1920 in the same direction, have or can be equipped with fields. Jarvis, 1500 miles south, is similarly available. And beyond Howland and Jarvis, 2600 miles from Honolulu in two jumps, are Swain's Island and American Samoa, from which another take-off could be made in time of necessity.

The results are transmutation of the Territory into an American base of major importance, and the extension of the front lines of national protection as far beyond Hawaii as Hawaii is from California!

But such things the traveler does not visualize. He—one of the 40,000 each year—is greeted only with the colorful pageantry prepared by nature and a travel-conscious people. He disembarks in Honolulu Harbor to the haunting strains of "Aloha Oe," is decked with flower *leis*, and whisked along parked boulevards to Waikiki for a dip in the famous waters. He finds himself more frequently than not adopting the Island custom of "missing boats," lingering on and on among, as Mark Twain characterized them, "the fairest fleet of islands that lies anchored in any ocean."

Eight inhabited Islands comprise the major group. Four of these are generally the goals of visitors. Their names ring melodiously from the lips of those who know their pronunciations: Oahu (Oh-ah′-hoo); Hawaii (Hah-vy′-ee); Maui (Mah-oo′-ee); and Kauai (Kah-oo-ah′-ee). The last two are commonly slurred to "Mow′-ee" and "Cow-aye′-ee," for few malinhinis or strangers can adequately inflect the pure tones of the Polynesian tongue.

These islands, all similar in their lush beauty, are yet so uniquely different that, not weeks, but years can be spent upon them without exhausting their appeal.

Oahu is the show place. With Honolulu Harbor and the city, it combines Waikiki Beach and the great hotels, the startling panorama from the Pali, the intriguing offerings of Chinatown, the relics of the Bishop Museum, Punahou's long hedge of the night blooming cereus, and entrancing highways that wind through the long miles of sugar and pineapple fields. Immediately at hand at Waikiki are native villages, rebuilt to portray the life of earlier days; and within convenient reach the historically important Palace, Kawaihao coral church, and early missionary homes.

Hawaii Island is the next in importance to the visitor in the Territory. For there, out from Hilo City, is the Hawaii National Park that encompasses the great volcanos of Kilauea and Mokuaweoweo, and a strange world torn by jagged lava pushed out in past activity. Southward and west-

ward the Puna and Kona areas, where civilization has touched lightly, and the friendliness of the natives is unmarred by the suspicion of commercialism. And northward, along the east coast, Hamakua, one of the most glorious of all shorelines, where countless waterfalls constantly lace the verdant cliffs with their silver, and the lifting fields are overshadowed by the snowy peak of Mauna Kea, highest of Pacific peaks.

Third island in popularity is Maui, midway from Hilo to Honolulu. It differs from Hawaii chiefly in the absence of active craters, but holds on its western lobe the towering mass of Haleakala, largest dormant volcanic pit in all the world, lifting 10,000 feet in vast sweeps. Within its rim the whole of Manhattan could be dropped with room to spare; within its abyss are cinder cones lifting a thousand feet, but dwarfed by the majestic depths.

Kauai is least known of all. Its colloquial name is the "Garden Isle," granted it for its splendor of canyons and valleys and secluded beaches. Though planes and island steamers touch it, it is "off the beaten track," and on Kauai the stranger finds Hawaii as it was decades back.

These four are the travel isles. Four more are given to agriculture, ranching, or industry and in one case, a special colony. The ninth, Kahoolawe, is essentially uninhabited. These comprise Hawaii as it has generally been known, but are only a part of the Hawaii destined for future knowledge.

For northwestward from the larger units stretch the isles of the Bird Archipelago. Primarily coral, a few of disintegrating lava, they have always been the "forgotten cousins" of Hawaii proper. Scientists occasionally visited them, guano workers paused briefly on some, and on Midway a cable relay station was set up.

There were the stories of ancient ruins from some forgotten era crumbling on the terraces of Necker. There were the history books' accounts of wrecks at Pearl-and-Hermes Reef. And there were the stark outlines of Nihoa and the low white rim of Kure that ships inbound from the Orient skirted widely.

The Bird Islands were a treasure land for hardy scientists seeking strange fish and sea shells. For with the whole sweep of the Pacific about them, and untouched from year's end to year's end by human foot, they had developed into a natural sanctuary.

The reach of the Territory of Hawaii, in linear expanse, covers a greater distance than from Canada to Mexico. Angling 1600 miles across the heart of the Pacific, it is today no longer the frontier but rather the base of operations upon which tomorrow's industrial and national developments of the entire Pacific area will probably center.

The lodestone for thousands seeking adventure or romance, it will continue to hold that allure, for no amount of science or fortification or civilization can ever offset the eloquent music of her palms and limpid seas; no ringing of transpacific telephones nor throb of airplane motors can dim her heritage, no rustling of ticker tape can destroy the meaning of her salutation—"Aloha"—to the stranger on her shores.

HERE AND THERE

ELEPHANT mail is being used to send a message from the Maharaja Bhup Bahadur of Cooch Behar to his highness, the Gaekwar of Baroda—a distance of more than a thousand miles. The State elephant carrying the message will trudge the 300-mile journey to Calcutta, from which Jumbo will travel by ship to Bombay. The rest of the route will be taken the hard way.

The opening of the new Moscow-Volga canal will complete the second link in the huge Soviet waterway system. The canal proper is 80 miles long and has five locks, raising the waters of the Volga 270 feet to the level of the Moscow River. North of Moscow the huge "Moscow Sea" acts as a key to the control of the Volga water.

Visitors to Ceylon this year will be able to see an elaborate festival. Kandy will be converted into a brilliantly-lighted city with the pageant of the "Sacred Tooth of Buddha." The sacred tooth is said to have been taken from the flames of Buddha's funeral pyre, and is held in reverence by one-third of the world's total population. The tooth is paraded around the streets and then taken back to the Temple.

The "Temple of the Winds" may be called the oldest meteorological observatory in the world. It is a small octagonal building of marble and was erected about 100 B.C. Built in such a way as to face in the direction of the winds, each of the eight sides of the temple has descriptive figures representing the character of a particular wind. The north wind is represented as a warmly-clad man clothed in furs, blowing fiercely on a trumpet; the east wind is pictured by a young

man with flowing hair; the west wind by the figure of a lightly-dressed youth with a lap full of flowers.

Londonderry, port of Ulster, Ireland, known to the historian as the ill-fated city of "Battles and Sieges" is becoming a tourist center. The ancient city, long an attraction to students, is rapidly assuming a new status as a favored place on the lists of American travelers. The awakening of Londonderry to its tourist possibilities started only a few years ago when the townspeople formed a tourist organization to accommodate the increasingly large number of visitors.

One of the most intriguing and mysterious customs that fascinate the visitor to Albania is disappearing from the streets of the towns and cities. Under a new edict, women are forbidden to conceal their faces in veils.

The World in Books

(*Continued from page 9*)

even from those whom he hurt in passing. But his talent for making friends among superficial and unimportant people persisted and grew. It might be forgotten now if it were not the spring of a river which finally engulfed him."

Yet on the whole the biography is warmly sympathetic. Without indulging in adhesive sentimentalities, Mr. Bolitho has managed to convey the poignancy of the drama that is the life of David Windsor. There is the strong feeling that, despite Edward's choice of family fireside instead of the cold, grey lights of Buckingham Palace, English history will treat him kindly.

Commentary by Dennis

Coronation Commentary is similar to *Edward VIII* in that Geoffrey Dennis, too, had completed his book before the Crisis of the Crown was precipitated. Like Mr. Bolitho, he decided to make only minor changes and additions to the work, preferring to publish the book "in the spirit" of Edward's reign. And libel suits notwithstanding, Mr. Dennis' candid commentary is not uncomplimentary to Edward, whom he calls the "most successful Prince of Wales in history." The much-publicized libel suit is directed at one sentence and not the entire book.

It is true that Mr. Dennis has a novelist's flair for dramatic writing, but it is hard to see that he has abused this trait. His facile pen has been used to vivify rather than to create, and it is unfortunate that the popular impression seems to be that the book is of the variety that has barely escaped the censor. As a matter of fact, Dennis has contributed a history of the Crown during the last hundred years which has more than a passing value. He has traced the ebb and flow of public sentiment toward the reigning monarchs and has reviewed the periodic arguments for and against a republic.

The Middle Road

William Henry Chamberlin's *Collectivism* is a militant defense of democracy and a sharp indictment of dictatorship—either in fascist or communist form. The distinguished Far Eastern newspaper correspondent disagrees with Strachey's statement that the world is confronted with two alternatives: communism and barbarism, the last of which Strachey regards as identical with fascism.

But a choice between communism and fascism is no choice at all, Mr. Chamberlin contends, since everything barbarous that is associated with fascism can be duplicated under communism. As a case in point, he cites the recent mass executions in the Soviet, the control of the press, and regimentation of art and culture.

The alternative, he believes, to communism is not barbarism or fascism but liberty. For it is Mr. Chamberlin's contention that while there may be a theoretical difference between fascism and communism, all other differences shrink in practice. Thus, the international aspects of communism seem to have been appropriated by Italy and Germany, which have had greater success than Russia in gaining a foothold in other countries. And both Germany and Italy have given more help, both in men and materials, to the Spanish rebels, according to reports, than Russia to the loyalists.

It is the individual—his freedom of thought, expression, action—with which Mr. Chamberlin is most concerned and he can see no hope for cultural progress under any form of collectivism.

Correspondents' Congeries

There is little in *Collectivism* to cheer supporters of the Soviet for Mr. Chamberlin is unsparing in his criticism of communism in action. Yet he admits in *We Cover the World* to which he is one of fifteen newspaper contributors, that he was once a "left-wing intellectual"; but 12 years in Russia stripped him of any illusions about the Soviet and made him "a thoroughly unrepentant liberal and a democrat for life."

Mr. Chamberlin's chapter, called "My Russian Education," is only one of a number of sparkling contributions to *We Cover the World*, a volume containing highlights in the careers of some of the world's most famous foreign correspondents. Edited by Eugene Lyons, who contributes an introduction and a chapter on his "Persian Interlude," the book is a well-rounded and vividly-written congeries of yarns.

Negley Farson, of *The Way of a Transgressor* fame has selected some choice anecdotes of his stay in India for inclusion in the volume. Webb Miller, who continues to search for peace in the middle of wars and volcanoes, writes on "The Little World War in Spain." And George Seldes, who has spent 20 years in interviewing important people and covering important stories, contributes a chapter on "Nations in Straitjackets."

"Red" Tape vs. Achievement

Censorship and red tape were of extreme annoyance to Mr. Chamberlin in getting his news through, it is apparent in his chapter in *We Cover the World*. Whether this contributed to his disillusionment of the Soviet, manifest

both in *We Cover the World* and *Collectivism*, is difficult to say. Yet Albert Rhys Williams, who lived in Russia [illegible] ten years and was able to observe inefficiency, bureaucracy, and censorship at first hand, is not disposed to lessen the achievements of the U.S.S.R. In *The Soviets*, Mr. Williams prefaces his book with the remark that "in contrast to the sad failures and defects of the Revolution stands a long list of its accomplishments in all spheres of human endeavor."

Among the items on the credit side of the Soviet ledger, Rhys Williams says, are the rapid transformation into a prominent industrial nation of a backward, poverty-stricken nation, elimination of the extremes of the economic cycle by striking a balance between production and consumption; and the merging of 25,000,000 tiny peasant holdings into 250,000 big scale farms, equipped with modern machinery and power.

From this introduction, Mr. Williams goes on to answer exactly 88 questions most commonly asked about the Soviet. A brief chapter is devoted to each question, and there is little in the economic, social, and political life of Russia that is not competently covered. What, for example, are the effects of the Soviet policy upon the culture and languages of the 189 different peoples in the U.S.S.R.? What is the significance of the Soviet solution to the problem of race and nationality? Who makes the Five-year plans? What is the attitude of the government toward sex, marriage, divorce? These are only a few of the questions discussed by Mr. Williams.

Authoritative and easily adapted for ready-reference, *The Soviets* is a handbook on Russia of the first importance. But it is not a handbook in the almanac or catalogue sense; Mr. Williams' work is well written and his topics are carefully selected and arranged so that the thread of continuity is almost unbroken—an impressive accomplishment considering the seemingly restrictive question-answer form chosen by the author.

Current Non-Fiction

The following brief reviews comprise a reminder list of important non-fiction books on the spring and summer publishing lists.

**Denotes books already reviewed in* Current History.

†*Denotes books to be reviewed in forthcoming issue.*

**The Woodrow Wilsons*, by Eleanor Wilson McAdoo, Macmillan, $3.50.

Recollections of her parents and family life in the White House by the daughter of America's Great Idealist. With charm and great ease, Mrs. McAdoo paints a warm and human portrait of the personalities that were Mr. and Mrs. Wilson. She writes, too, of the simple but genuine life on a New Jersey college campus; the more restrictive life of a Governor's family; and finally, life at the White House.

The Development Of China, by Kenneth Scott Latourette, Houghton Mifflin Co., $3.00.

However one may feel about the Chinese, it must be remembered that in sum they represent one-fourth the human race and swarm over one of the most fertile sections of the globe. They were a great people, and as Mr. Latourette points out their chance for future greatness has seldom been better than today. Perhaps Japan has done them a service. Jolting them out of their complacence event at the point of a bayonet was a feat for which progressive Chinese should be deeply grateful. And Russia has helped. Communism seeping across the border has intensified agrarian unrest. Many readers will remember this book as of twenty years ago. It was an easy reading book then; it still is with the added advantage of offering new and pertinent material to the more recent Chinese pressure problems both internal and external.

**Sugar: A Case Study of Government Control*, by John E. Dalton, Macmillan, $3.00.

This timely study by the former head of the Sugar Section of the AAA explains and analyzes the role of the government in the control and regulation of industry, with particular reference to sugar. Exhaustive and authentic, the book will be read by all those interested in the attempts of the government to extend its sphere of influence over industry and in the industrial relations of the government with Puerto Rico, Cuba, the Philippines, and Hawaii.

†*Social Security*, Maxwell S. Stewart, Norton, $3.00.

In terms the layman can understand, Mr. Stewart offers a study of social security valuable to anyone interested in the new Federal legislation. He discusses it in terms of the present, and charts a tentative course into the future.

**Talleyrand*, by Comte De Saint-Aulaire, Macmillan, $3.50.

The distinguished French historian and diplomat has contributed a first-rate and human study of the statesman whom Macaulay once called an "obstinate fool."

Non-Fiction: *A Growing Market*

MORE AND MORE, America's reading tastes are swinging over to non-fiction books. The publishing figures for the last four years reflect this trend by showing consistent increases in the number of titles published in all classifications outside the field of fiction. And it seems certain that 1937 will surpass even the high total of non-fiction titles published during 1936.

More and more, *Current History* has dominated the non-fiction market. *Current History's* subscribers will spend $3,000,000* this year in purchases of non-fiction books. This represents approximately 25 per cent of all sales of non-fiction books to adults in the United States.

Current History continues to serve this market through its department, *The World Today in Books*, which each month selects for review the outstanding works on world affairs, biography, history, science, philosophy, religion, travel. *The World Today in Books* is the largest literary review section devoted exclusively to non-fiction books appearing in any popular monthly magazine in the country.

*According to a survey by the *New York Times*.

CURRENT HISTORY